

EIGHT PAGES  
FROM SUNDAY'S  
**The New York Times**  
WEEKLY REVIEW  
INSIDE TODAY

VENTILATION MEANS...  
**Venta**  
RAMAT-GAN: 03-7513251  
HAIFA: 04-722611 JERUSALEM: 02-222550

## Compulsory loan urged to pay for Lavi jet project

By AVI TEMKIN and JOSHUA BRILLIANT  
Jerusalem Post Reporters

The voices calling for a levy or compulsory loan to pay for the development of the Lavi jetfighter gained strength yesterday, as ministers and industrialists favouring the project sought ways to find the extra \$200 million a year the army says it would need to develop the aircraft without jeopardizing other defence areas.

A group of industrialists has proposed to Prime Minister Shamir that a compulsory public loan could finance the project. Some ministers, like Health Minister Shoshana Arbeli-Almosino, proposed increasing the travel tax, or imposing a special levy on lotto and other lottery tickets.

Minister-without-Portfolio Yosef Shapira endorsed the idea of a fund because it would give the public a sense of participation. He recalled that \$100m. had been raised for a plan to build a canal to connect the Mediterranean and the Dead Sea, which was a "marginal" project.

"Here," he said, "is a major project which could instill pride and hope." Its completion would have a tremendous impact also on Soviet Jewry, who would see Israel producing an aircraft capable of competing

with the U.S.-made F-16C.

Energy Minister Moshe Shahal said he believed such a proposal could solve the problem "for one or two years only." It couldn't be a solution for the 10 years it would take to complete the project, he said.

Both Finance Minister Moshe Nissim and Premier Shamir are committed to reducing the tax burden, and it is highly unlikely that they will go along with a plan to introduce a new levy.

Nissim has already stated that under no circumstances will he agree to increase budget allocations for the Lavi without cutting from other areas. Treasury officials reiterated this at the cabinet meeting yesterday and said that the price of scrapping the project - some \$400m. - would be lower than the cost to the economy of a decision to go ahead with it.

Adding to the Treasury warnings was Bank of Israel Governor Michael Bruno, who told the ministers that Israel's economy is too small for such a high-risk operation as the Lavi. Israel cannot expect to produce large numbers of planes, and this would make it impossible to exploit any comparative advantage Israel might gain by producing the Lavi, he said.

## Shamir has 'feelings of warmth' for Soviets

By BENNY MORRIS  
Post Diplomatic Correspondent

Prime Minister Shamir yesterday declared that he had "no anti-Soviet feelings in his heart," and called the Soviet Union "a great and enormous country."

Speaking to Andre Rossinot, the visiting French minister responsible for the government's liaison with parliament, Shamir said that he had "warm and appreciative feelings" towards the Soviet Union, and would like to see the development of normal relations between it and Israel.

Shamir was responding to Rossinot's question whether he, Shamir, opposed the idea of an international conference for Middle East peace because of his opposition to Soviet entry into the peace process. Shamir answered that his opposition to the conference idea was based on "the nature of the conference," and not on the prospective Soviet participation.

Observers said that Shamir's statement - made to Rossinot and distributed to reporters by Shamir's aides - was the first of its kind vis-a-vis the Soviet Union since the start of the controversy over the conference. Shamir's previous public references to the Soviet Union in this context have been marked by suspicion or outright antagonism.

## Arrests after rampage by settlers in Dehaishe

By JOEL GREENBERG  
DEHAISHE. - The IDF and police are moving to crack down on settlers who smashed windows and shot at homes in the Dehaishe refugee camp Saturday night. Six settlers from Hebron and Kiryat Arba have been arrested, and more arrests are expected. The IDF is to confiscate weapons used in the attack.

A special police investigative team began collecting evidence yesterday from eyewitnesses in the camp. The two settlers who opened fire have been identified and are among those being held. The suspects will appear in court for remand hearings today. They are expected to be charged with unlawful shooting and damaging property.

"We will arrest anyone we suspect or know is connected with this incident," OC Central Command Amram Mitzna promised yesterday. "We will take all possible measures to ensure they are punished and do not repeat such actions."

Mitzna described the rampage as "a despicable act, the likes of which neither I nor any veterans in the region can recall. An organized group of Jews, mostly from Kiryat Arba, arrived at the scene, and with indescribable provocation and violence, opened fire directly into the camp, broke windows and car windshields, tried to set fire to one vehicle and attempted to break into the camp."

A commanding officer at the



A Dabaisha boy at a window of his home broken during the rampage by West Bank settlers on Saturday night. (IPPA)

houses at eye level. I saw the marks on the wall."

Camp residents said yesterday that soldiers had failed to restrain the settlers and had instead fired in the air and used tear-gas against Dehaishe residents who threw stones at the settlers. The residents said some 100 settlers arrived at the camp in three buses.

Mitzna said he had no doubt that the settlers' attack was unprovoked and organized. He said that settlers had invited the media. Baruch Marzel, a deputy Rabbi Meir Kahane, was reported to have notified Yediot Aharanot in advance of "an operation" at Dehaishe.

Mitzna labelled "a lie" claims by settlers that their action had been a response to their being stoned while demonstrating at the camp. "It's a shame that people who take the law into their own hands, who carry out such acts against innocent women, children and old people who were sleeping, don't have the courage to admit to what they've done," Mitzna said.

He said soldiers at the scene had almost been caught between the firing settlers and residents of the camp.

Settlers who took part in the rampage said yesterday they had acted in response to the injuring of a pregnant woman when a stone was thrown at a bus outside Dehaishe on Friday. "It was an unplanned act, meant to demonstrate our pain and anger over government policy," said

## Patt is lone vote against new envoy

By BENNY MORRIS  
Post Diplomatic Correspondent

The cabinet yesterday approved by a vote of 16-1 the appointment of Moshe Arad, Israel's outgoing ambassador to Mexico, as the country's new ambassador to Washington.

The lone dissenter, Science and Technology Minister Gideon Patt, told the ministers that he would not explain his opposition "in order not to embarrass the proposer (Foreign Minister Peres) and the approver (Prime Minister Shamir). But I demand a vote."

Patt later told *The Jerusalem Post* that he wanted to register his opposition "so that I won't be saddled with collective responsibility for whatever happens." He said that "most of the ministers regarded the man as inappropriate. The fact is that he was Peres's tenth nominee for the post and had never filled a major ambassadorial post before. This says something."

Patt, who rallied against the "last-minute manner" of the appointment, contrasted Arad's appointment to Washington with Washington's record of appointing "very senior" people to Tel Aviv. The appointment would "no doubt raise some eyebrows in Washington," he said.

## U.S. and Iran trade threats on eve of Venice Summit

VENICE. - Western leaders yesterday began gathering in this city of canals for the opening of the 13th annual summit meeting of the seven largest industrialized democracies.

Canadian Prime Minister Brian Mulroney, who arrived yesterday morning, was the first leader to come to Venice. U.S. President Reagan, staying in a villa outside the city since last Wednesday, is to move to an island in Venice's lagoon today.

Also arriving yesterday was Italian Premier Amintore Fanfani, who as host will be chairman of the talks.

West German Chancellor Helmut Kohl was due last night, to be joined today by French President Francois Mitterrand, Japanese Prime Minister Yasuhiro Nakasone and British Prime Minister Margaret Thatcher.

Conservative French Prime Minister Jacques Chirac, who will attend by virtue of the "cohabitation" arrangement in which he shares power with Socialist President Francois Mitterrand, will arrive tomorrow for the latter part of the talks.

On the eve of the summit the U.S. and Iran hurled threats at each other, thrusting tension in the Persian Gulf to the fore.

Reagan's top aides told Iran to back off deploying Silkworm missiles in the Gulf after an Iranian

## Corfu and Moda'i in planned reshuffle

By MENACHEM SHALEV  
Post Political Reporter

Prime Minister Shamir has given up on his efforts to reinstate Yitzhak Moda'i at the Justice Ministry, and is again hoping to persuade Transport Minister Haim Corfu to take up the post and vacate his current portfolio in favour of Moda'i, sources close to Shamir said last night.

Corfu, however, who has been approached by Shamir on the matter before, is adamantly opposed to the reshuffle. He said last night that he insists on "completing the projects" he has begun at the Transport Ministry, including the merger of Israel Railways with the Ports Authority approved by the cabinet yesterday.

Likud sources added last night that Corfu "is in no mind to give up the politically influential transport portfolio, which yields close to 300 boardroom appointments in government-owned companies, for the thankless justice post."

Yesterday's appointment of Moshe Arad as ambassador to Washington sealed the lid on Shamir's reshuffle.

(Continued on Page 2, Col. 1)

## 'They weren't only shooting to frighten'

By JOEL GREENBERG

"I feel like I'm choking," said Musq Jarashi. "People come here and do these things, and I'm powerless to do anything about it."

The man from Dehaishe stood in front of a pock-marked wall in which five bullet holes could be seen at various levels. In a neighbouring building, three bullet holes could be seen in the windows of a closed-in porch. A woman carrying a child peered out from behind a window. The windows of other houses along the Jerusalem-Hebron highway were shattered. Workers replaced bullet-riddled water-tanks on a roof.

In one room, a woman pointed to glass shards on a bed under a window. She said a child had been sleeping on the bed when the butt of a settler's rifle smashed through the glass, covering the bed with splinters and set him off screaming.

In an adjacent room, a woman vented her anger in front of a television camera. "This would never be allowed in any state," she shouted. She held a collection of sharp-edged stones which had sailed into her children's room as they slept.

"It's not the first time. They didn't only come yesterday," said another woman as she washed her floor.

Jarashi said that settlers had broken into the camp three times this year, and a number of times last year.

"This time they weren't only shooting to scare us," he said. "Complaints to the police? How can you describe the attacker for them when you've been woken from your sleep, and you're struggling to calm your hysterical kids. We hid in the bathroom. Anyway, we complained last year and nothing happened. No compensation either. The government has to stop this. Is it justice that one kid throws a stone, and 15,000 people have to pay the price?"

## Soldier dies, 2 wounded in Lebanon blast

By DAVID RUDGE  
Jerusalem Post Reporter

ROSH HANIKRA. - An IDF soldier was killed and two others were wounded when a roadside bomb exploded underneath their vehicle inside the security zone in South Lebanon yesterday morning, army sources reported.

The dead soldier was Ya'acov Bardas, aged 19, from Haifa. He is to be buried at the city's military cemetery this afternoon.

The two wounded soldiers were transferred by helicopter to Rambam Hospital. One was said to be suffering from moderate to serious injuries, while the second was reported to be lightly hurt.

## U.S. Jews angered by moves to placate Shas on Law of Return

By HAIM SHAPIRO  
Jerusalem Post Reporter

American Jews are up in arms over what they see as the latest attempt to push through a change in the Law of Return, albeit one which would not alter the law itself.

The change would come in the form of an amendment to the Change of Religious Communities Ordinance, which would make it necessary for the local rabbinical courts to validate any conversion to Judaism. This would, in effect, invalidate conversions by Reform and Conservative rabbis abroad, and thus change the status of immigrants such as Shoshana Miller, a Reform convert to Judaism whom the High Court of Justice ordered then interior minister Yitzhak Peretz to register as a Jew in December 1986.

It was this court decision that caused Peretz to resign as interior minister in January. In the face of continued pressure by the Alignment for new elections, the Likud is anxious to placate Peretz's party, Shas, by making it possible for Peretz to return to the ministry.

But at a meeting with the Presidents Conference last week, the heads of the leading American Jewish organizations blasted Industry and Trade Minister Ariel Sharon over the issue, according to the Israel representative of the American Jewish Congress, David Clayman.

Clayman said that concern over the conversion issue had made it impossible to discuss other, far more serious issues affecting U.S. Jewry and Israel, such as the Pollard affair, the Lavi and the Irangate scandal.

"No one really needs this side issue at this time," Clayman said.

Naftali Lavi, the Israel director of

the United Jewish Appeal, said yesterday that he had received representations from U.S. Jewry over the conflict, and that he had conveyed the message to Prime Minister Shamir.

ASHER WALLFISH adds:

The Likud's repeated efforts to assure the support of the ultra-Orthodox Shas faction, by promoting Shas's attempts to change the law on conversions, again ran aground yesterday.

Although Prime Minister Shamir had promised the Shas leader, Minister-without-Portfolio Yitzhak Peretz, that he would bring up a proposed amendment to the Change of Religious Communities Ordinance at yesterday's weekly cabinet session, the premier failed to do so.

Shas circles said last night that they would incorporate the proposal into a private member's bill which can be tabled in the Knesset without coalition approval.

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**PORAT YOSEPH IN ISRAEL**, Jerusalem  
We announce with great sorrow the loss of  
the famous philanthropist  
גדול חסידים בגבור ובמנוח  
**AVRAHAM SUTTON** ז"ל  
(Ben Shlomo)  
who died yesterday in New York.  
The coffin will arrive today, Sivan 11, Monday, June 8, at 2.30 p.m. on El Al flight 016. The funeral will take place at the Porat Yoseph yeshiva, Rehov Yosef Ben Matityahu, Geula, Jerusalem at 4 p.m.  
The Heads of Yeshiva, the Rabbis and the students extend their sincerest condolences to his wife, children, brothers and sisters.  
בבית ציון הירושלמי תנוחמו.

## One dies, 33 hurt in bus crash

SHA'AB (Itim). - One man was killed and 33 were injured, four of them seriously, when an Egged bus overturned yesterday evening near the village of Sha'ab in the Western Galilee. Two more people were injured when an ambulance from the Krayot area north of Haifa overturned on its way to the scene.

Several of the passengers were trapped in the bus and rescuers had difficulty removing them from the wreckage.

The injured were taken to hospital in Nahariya by ambulances from Acre and Nahariya.

Most of the injured were said to be only lightly hurt. They were due to be sent home last night or this morning at the latest.

Investigators last night had not determined the cause of the accident. The names of the dead man and of the injured were not released.

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## The weather at major Swissair destinations

	7.6.87	MIN.	MAX.	
AMSTERDAM	11	12	17	Cloudy
BRUSSELS	9	10	16	Clear
BIRMINGHAM	9	10	16	Clear
CHICAGO	14	16	20	Cloudy
COPENHAGEN	12	14	17	Cloudy
FRANKFURT	12	14	17	Cloudy
GENEVA	7	8	15	Cloudy
HELSINKI	8	10	15	Cloudy
HONG KONG	25	27	29	Clear
JAKARTA	2	3	10	Clear
LONDON	16	17	21	Clear
LUXEMBOURG	11	12	16	Cloudy
MADRID	15	16	21	Cloudy
MONTREAL	7	8	15	Cloudy
NEW YORK	16	17	21	Cloudy
PARIS	10	11	16	Cloudy
PRAGUE	13	14	17	Cloudy
RHODE ISLAND	18	19	23	Clear
ST. PAULI	13	14	17	Cloudy
STOCKHOLM	15	16	21	Cloudy
TOKYO	22	23	25	Clear
TORONTO	5	6	10	Clear
VIENNA	12	14	17	Cloudy
ZURICH	15	16	21	Cloudy

\*For the latest weather conditions contact Swissair.

## swissair

### THE WEATHER

	Yesterday's	Today's	Max
Jerusalem	30	11-25	25
Colan	27	11-20	25
Nahariya	25	10-27	27
Safed	25	10-27	27
Haifa Port	25	10-27	27
Tiberias	28	16-32	32
Nazareth	27	16-30	30
Atula	33	16-30	30
Shomron	34	14-27	27
Tel Aviv	25	18-26	26
B-G Airport	51	15-27	26
Jericho	30	20-33	33
Gaza	20	17-24	25
BeerSheva	27	16-30	30
Elat	7	22-36	36

### ARRIVALS

Irving I. Silverman, founder and manager, Kosher Foods and Jewish Life Expo, New York, for business and government consultations.

## Holon mayor quits after 36 years

**BOLON (Itim).** — Pinhas Eylon yesterday announced his resignation after 36 years as mayor of this city, the country's fourth largest.

In a news conference here, Eylon cited poor health and his inability to form a city council to his liking, as the reasons for his move.

Reviewing his career, Eylon counted among his achievements the building of schools, kindergartens, parks and 200 apartments for transit camp residents whose homes were wiped out by a flood in 1951-2.

His greatest disappointment, he said, was not attracting significant industry to the area.

## CORFU, MODA'I

(Continued from Page One)

mir's attempt to get Labour to acquiescence in Moda'i's appointment in exchange for the appointment of a Peres candidate to the Washington post. Labour has repeatedly voiced its opposition to Moda'i's return in view of his harsh public attacks on Peres.

Some Likud ministers have proposed that Avraham Shurir, who currently holds both the justice and tourism portfolios, vacate the tourism post in favour of fellow Liberal Moda'i. But Shurir is reluctant to assist in solving the problems of his party colleague and political arch-enemy, and is also attached to tourism by the same "appointments" principle which binds Corfu to transport.

"One thing is sure," a senior government attorney commented last night, "all of these political games won't do a thing to alleviate the problem at the Justice Ministry."

## 'Israelov drugged before drowning'

**TEL AVIV (Itim).** — A pathologist at the trial here of Giti Zahavi, who is accused of murdering her husband, Yosef Israelov, testified that Israelov had been drugged before he drowned in the artificial lake in Hayarkon Park in January 1986.

Dr. Esther Daniels Philips testified that the autopsy on Israelov showed traces of ether in his body, and that it was "logical to assume that the deceased was put to sleep by the ether so that he couldn't act to save himself in the water."

Under cross-examination, Philips explained that Israelov's bladder was full of urine while no water was found in his stomach. A person who

## HOME AND FOREIGN NEWS

### Biram/Ikrit ex-residents

## Political shenanigans feared

By DAVID RUDGE  
Jerusalem Post Reporter

Kfar Yasif. — Former residents of the Christian Arab villages of Biram and Ikrit yesterday appealed to Labour and the Likud not to turn their plight into a political ball game.

They fear that the proposed return of the evacuees to their Upper Galilee villages along the Lebanese border might be stymied by infighting between the two parties.

Their concern arises from the fact that Labour and the Likud have formulated separate proposals with essentially the same aim.

Both sets of plans recommend the return of the former residents to their homes, nearly 40 years after

they were forced to leave for security reasons.

The proposals are similar in character if not in detail and both are acceptable, in principle, to the villagers.

But the villagers fear that the major parties may try to make political capital out of the issue, refuse to accept each other's suggestions, and fail to agree on a compromise formula.

"We see this as a real danger, especially in the light of calls for early elections and the impasse in the government on other matters," said Emad B'shara, a member of the Biram-Ikrit committee.

"If both parties really have the interests of the residents of Biram and Ikrit at heart, then all will be well," asserted B'shara, a teacher who lives with his wife and three children in Kfar Yasif.

Members of the Biram-Ikrit committee met with Vice Premier Peres on Thursday to hear details of the Labour plan, devised by Yosef Ginat. On the same day, Moshe Arens, the minister responsible for Arab affairs, announced the Likud's proposals, drawn up by his adviser Amos Gilboa.

Representatives of the Biram-Ikrit committee are to meet Arens today to discuss his plan.

## New focus on party controversy

The problem of the Arab villages of Ikrit and Biram is a new focus for Labour-Likud controversy, but this politicization ironically threatens to stymie the resolution that the Arab villagers have been praying for although the two main parties agree that resettlement at or near the villages' original sites is the appropriate solution.

Menachem Begin termed the problem "a historic injustice". In November 1948, a week after the cessation of fighting in Galilee, the IDF Northern Command evicted the population of the two Christian Arab villages, who apparently were assured that their eviction would be temporary.

Some of the villagers were expelled to Lebanon but the majority took up temporary residence in abandoned housing in neighbouring Jish and other Arab villages. Ikrit and Biram were subsequently levelled. Lands belonging to the villages were distributed among old and new Jewish settlements.

The dispossessed villagers and their descendants have had the support of influential Israelis, including the late president Yitzhak Ben-Zvi and Begin, but failed to overcome the combined resistance to a return by the IDF, the General Security Service and the local Jewish settlers

## ANALYSIS

BENNY MORRIS

and their parent institutions (the moshav and the kibbutz movements).

The creation in 1976-78 of the South Lebanon "security zone" and the IDF occupation of Southern Lebanon from 1982-85 undermined the main "security" argument against a return of the two relatively small Arab communities to their former border sites.

While Ezer Weizman, as minister without portfolio, was responsible for minority affairs, his adviser, Dr. Yosef Ginat, put together a plan for the resettlement of the evictees on sites near the original villages to be determined by a committee in which Ikrit and Biram villagers would participate.

When Moshe Arens took over from Weizman as coordinator of minorities policy, the Ginat plan was put on indefinite hold.

Then came last week's meeting of Foreign Minister Peres with Ikrit and Biram representatives, heralding the possible submission of the Ginat plan to a cabinet vote. Arens

moved quickly and announced his own plan.

Neither plan is to the liking of the local Jewish settlers of Shomera, Zar'it, Bir'am and Dovev. Generally they are unhappy about the re-establishment of Arab settlements in the vicinity and fear reverse expropriation or litigation.

Within the Likud, the idea of establishing new Arab settlements flies in the face of Greater Israel ideology and is regarded, justifiably or not, as a possible precedent, as Likud MK Meir Cohen-Avidov put it over the weekend.

Arens, who is due today to present his plan to the two villages' representatives, is caught between a sense of duty towards Begin's legacy and his Arab wards, and party considerations and obligations.

Prime Minister Shamir's aides say that the prime minister has now embarked on a "serious study" of the problem and that a vote on the issue next Sunday is unlikely as "it is not urgent, by any means."

Peres's position on when the issue should be submitted to the cabinet is unclear. While he must maneuver between various, often antagonistic, party interests, he wants to prevent the Likud from scoring points in the Arab sector at Labour's expense.

## Selling 'shmitta' wheat will cost Treasury \$10m.

Jerusalem Post Reporter

Industry and Trade Minister Ariel Sharon's scheme to sell abroad wheat grown here during the current *shmitta* year will cost the Treasury some \$10m., according to figures prepared for yesterday's weekly cabinet session.

The \$10m. loss would result from the difference in price between the wheat that would have to be imported and the market value of the local wheat, which Sharon plans to export.

The figures were brought to the cabinet by Agriculture Minister Arye Nehamkin, who strongly opposes the proposal. The issue was aired by Economics Minister Gad Ya'acobi.

Nehamkin was supported by Religious Affairs Minister Zevulun Hammer, who seeks to uphold the dignity of the Chief Rabbi and which has sanctioned the local consumption of Israeli wheat by means of a special procedure.

Sharon aides maintain that the price difference could result in a maximum net loss of \$6m.

Prime Minister Shamir told Ya'acobi that while he was willing to have the cabinet discuss his criticism of the wheat moves, this would have to wait till next week, when Sharon will be back in the country.

Every seventh year in the Jewish calendar is a *shmitta* year in which the land must lie fallow by biblical injunction. During that time, Jews are permitted by Halacha to consume food grown by non-Jews only.

## Kremlin stunt pilot focus of Moscow int'l conference

**PETAH TIKVA (Itim).** — The fear that the pilot of a small plane — such as West German Matthias Rust, who landed his Cessna in Red Square 11 days ago — could drop a small atomic bomb on Moscow and precipitate a nuclear holocaust was the main topic of discussion at an international conference for the prevention of nuclear war in Moscow last week.

"Cases of human error, such as

Chernobyl, Challenger and the Cessna only strengthen the hand of the International Organization of Physicians to Prevent Nuclear War to continue with their struggle for a world free of nuclear arms," said Dr. Ernesto Kahan, who returned here this week after heading the Israeli delegation at the conference.

Kahan, the assistant-director of Beilinson Hospital, said that among the important resolutions passed at the conference was one to hold a regional conference for the Middle East in Cairo in November 1988, at which all the countries in the region, including Israel, would participate.

He said the focus of the meeting would be to declare the Middle East a nuclear free zone. The meeting would also decide on an exchange of delegations of physicians between countries in the area. Such medical diplomacy, he said, would contribute to the peace process.

Kahan reported he was applauded by the other participants when he announced from the podium that Jordan had joined the physicians' organization and presented the Jordanian delegate with a plate inscribed with the word "peace" in three languages.

He added that the Soviets translated a personal letter to the conference from Foreign Minister Peres that Kahan had brought with him, and distributed it to the 3,000 participants.

### Malleable dancers

By DORA SOWDEN

Pilobolus at the Mt. Scopus amphitheatre lived up to expectations by providing the utterly unexpected on an overflow audience.

The six performers presented a fantastic programme that made their bodies seem as malleable as the plastic figures they sometimes used.

One of their most hilarious items was a juggling act with chairs. Quite terrifying was the performance of *Carmina Burana* with Carl Orff's music thundering in the air and the dancers performing wonders with large casks that could be wine barrels or trash cans.

Nobody left the amphitheatre dissatisfied.

## No vote for officials on missions abroad

By ASHER WALLFISH  
Jerusalem Post Reporter

The cabinet decided yesterday to perpetuate the disenfranchisement of Israelis who happen to be abroad on official missions during election time.

By 10 votes against nine, the cabinet turned down an appeal by Economics Minister Gad Ya'acobi against an earlier negative decision in the Committee of Ministers on Legislation.

Prime Minister Shamir explained his objections by underlining practical difficulties which might crop up when it came to defining just who was abroad on an official mission.

## Beit Jann still cautious

By DAVID RUDGE  
Jerusalem Post Reporter

**BEIT JANN.** — Leaders of this strike-bound Druze village yesterday gave a cautious welcome to an agreement aimed at resolving the bitter land dispute between the residents and the Nature Reserves Authority.

The compromise formula was thrashed out at a meeting on Friday between Prime Minister Shamir, Agriculture Minister Arye Nehamkin and Moshe Arens, the minister responsible for Arab affairs.

Under the proposals Nehamkin intends to amend regulations affect-

ing land in the heart of Mount Meron nature reserve which is owned by the Druze villagers.

The amendments will authorize residents to enter the protected area with tractors and tend their olive groves and orchards.

The residents claim ownership of 12,000 dunams inside the reserve, a large part of which is already under cultivation. Access to the plots, however, was restricted because of the regulations which apply to nature reserves.

Nehamkin is to discuss details with the villagers before changing the regulations.

## Grenades in 2 buses

By JONATHAN KARP

**TEL AVIV.** — Two grenades were discovered on two Egged buses yesterday, police reported last night. Both were defused by police supervisors and there were no injuries in what police suspect were attempted terrorist attacks.

At around 10 p.m. last night, an Egged driver found a booby-trapped grenade fastened to the side of the bus in the rear as he inspected his empty bus at the completion of the Rehovot to Petah Tikva route.

In a separate incident, a grenade was found on a bus in Egged's garage in Rehovot at 3 p.m. in the afternoon.



**Magen David Adom in Israel and Overseas Friends Societies** share the grief of the family and deeply mourn the passing of the distinguished artist

## NATHAN RAPOPORT

who was with us at the recent dedication of the MDA New Blood Services Centre at Tel Hashomer, and the unveiling of his last masterpiece "Brotherhood of Man."

Mrs. J. Jefroykin and her children

deeply regret not being able to reply personally to the messages of condolences received after the death of

## DIKA JEFROYKIN

and wish to sincerely thank all friends and relatives for their sympathy.

7 rue de Saint Enoch  
75017 Paris, France



Hebrew Union College — Jewish Institute of Religion

extends its deepest condolences to the family of

## Rabbi LEWIS SATLOW

We deeply mourn the passing of our beloved

## Rabbi LEWIS SATLOW

The funeral will leave tomorrow, Tuesday, June 9, 1987 at 1 p.m. from the Sanhedria Funeral Parlour, Jerusalem, for the Har Hamenuhot cemetery.

His Wife — Dolly  
Son — Barry  
Son and Daughter-in-law — Michael and Eleanor  
Grandchildren — Benjamin, Noa and Jonathan

### Beit Tekoa

expresses its sympathy with the STEINBERG and CITROEN families on the death of their beloved

## BERNARD STEINBERG

We mourn the passing of our great friend

## Prof. GOOP KOOPMAN

and share the grief of the family.

Max and Ans Drukker  
Also on behalf of  
Israel Comité Nederland



**Tour Va'aleh**  
W.Z.O. Immigration & Absorption Dept.  
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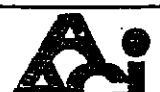
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Crisis worsens in Lebanon

# Jemayel told: Act against Karamah killers or resign

BEIRUT (AP). — Acting Prime Minister Salim Hoss demanded yesterday that President Amin Jemayel should either take action against the assassins of Prime Minister Rashid Karamah or resign.

The statement worsened the deepening crisis that threatens to rekindle civil war fighting and solidify the partition of Lebanon into sectarian mini-states.

"His silence is deafening," said Hoss, a Sunni Moslem, of Jemayel's failure to say anything about the progress of investigations into Karamah's assassination a week ago, when a bomb exploded in an army helicopter carrying him.

"We demand that the president take a historic stand like the speaker of parliament did," Hoss added in a statement broadcast by state-run Beirut Radio.

Parliament Speaker Hussein Husseini, a Shi'ite Moslem, resigned Friday, accusing Jemayel, a Christian Maronite, of failing to crack down on right-wing Christian ex-

tremists who Moslem leaders contend murdered Karamah.

Moslem leaders charge the army helicopter was rigged with explosives at the Adna airbase in Lebanon's Christian heartland before it was sent to pick up Karamah.

They contend this was a plot by the Lebanese Forces, the nation's main Christian militia, which opposed Karamah's pro-Syrian policy for the reunification of Lebanon.

The predominantly Christian command of the army, in an apparent move to pacify Moslem critics, said in a communique issued yesterday that the investigation into Karamah's assassination was "progressing satisfactorily."

In Damascus, Syria's ruling party newspaper *Al Ba'ath* yesterday accused the U.S. of ordering Karamah's killing. It said that "every time a solution is imminent in Lebanon, the U.S. mobilizes Israeli or their local agents to sabotage peace efforts and provoke a crisis situation." (AP, AFP)

## Chirac backtracks as fired minister stays put

PARIS (Reuters). — French Prime Minister Jacques Chirac, acting to defuse a week-long government crisis, climbed down yesterday and told defiant Culture Minister Francois Leotard he could remain in his post.

In a speech to a rally of his Republican Party in Frejus Saturday night, Leotard rejected an ultimatum from Chirac to choose between his job as a minister and his role as a party militant.

Despite Leotard's defiance, Chirac sent him a telegram yesterday saying he could stay in the cabinet, in what political analysts said was bound to be seen as a major political retreat.

"My dear minister, you said last night you wished to keep your ministerial post and would henceforth be your freedom of speech to ensure the success of the government and the victory of the majority and to help the French people," Chirac's message said.

"I agree willingly to your wishes," Chirac said.

In a first reaction, Michel Charzat, a Socialist opposition spokesman, said: "The government is a ship without a captain."

Other senior political figures said

Chirac had miscalculated by issuing his public ultimatum to Leotard last Tuesday to choose between remaining a minister and playing a militant role as Republican Party secretary-general.

Chirac's tough reaction last week was provoked by a Leotard interview in which the culture minister said he would either support Chirac's rival Raymond Barre in next year's presidential election or stand himself.

Leotard, 45, has up to now been Chirac's strongest ally in the centre-right UDF Federation, in which the Republican Party is the strongest single party.



Portuguese matador Victor Mendes tries to avoid the bull's horns by scrambling over the fence at a weekend bullfight in Madrid. (AFP)

## Teheran says it spurred frigate attack

# U.S. warns Iran again on missiles

WASHINGTON (AP). — U.S. officials yesterday discounted an Iranian claim of responsibility for last month's attack on a U.S. frigate that killed 37 American sailors.

Hamid Sadeqi, an official of Iran's Islamic Revolutionary Guard, said yesterday that the Iraqi pilot who fired a missile at the frigate acted on instructions from the Khomeini government.

But State Department spokeswoman Sondra McCarty said U.S. officials have no reason to believe that Tehran was behind the attack. "Our investigation gave no indication of any such involvement," she said. Iraq claimed the attack was accidental and apologized.

In Venice, White House Chief of

Staff Howard Baker warned Iran yesterday to "think very hard" before it decides to deploy Chinese-built anti-ship missiles in the Gulf.

Baker, in Venice with Reagan for the summit of seven Western leaders, said that putting the missiles in place near the Hormuz Straits would be "an escalation of a weapons system... a dangerous thing, that Iran would be better off not to do."

Asked whether that meant the U.S. was prepared to launch a preemptive strike against the missiles, Baker avoided a direct answer, saying, "I don't think the U.S. ought to say what it's going to do." Reagan is expected to seek the allies' support in protecting Western oil shipments in the Gulf.

## Sri Lanka Marxist rebels also hit army

COLOMBO (Reuters). — Marxist guerrillas, mainly from the country's majority Sinhalese population, struck at two military bases in southern Sri Lanka yesterday as the army continued to attack Tamil separatist rebels in the north.

A government communique said troops were following up a recent offensive against Tamil guerrillas by completing a "limited operation" to seize a strategic area near the Jaffna peninsula.

In the south, the government said three militants of the Janatha Vimukthi Peramuna (JVP — People's Liberation Front) and a soldier were killed when the outlawed group staged pre-dawn raids on two military bases near Colombo.

In both attacks the guerrillas got away with rifles from the base armories. President Junius Jayawardene said last month the JVP was preparing an uprising similar to one it attempted in 1971, in which 10,000 of its militants were killed.

In the north troops pushed on against Tamil rebels despite a signal from India last week that it will not let Colombo impose a military solution in its conflict with separatists.

The army launched the "limited operation" on Saturday, only two days after India outraged Colombo by sending military aircraft into Sri Lankan airspace to drop food to civilians in rebel-held areas of Jaffna. The action was the first indication that the Sri Lankan government might not bow to Indian pressure to stop military offensives against the rebels.

Foreign diplomats in Colombo believe that last Thursday's Indian air drop implied new Delhi's readiness to protect Jaffna's 800,000 Tamils against further government action.

However, a Sri Lankan spokesman hinted to foreign journalists on Friday that Colombo might stick to its military policies despite Indian pressure. Asked during a visit to Jaffna how he saw the situation after India's action, he said: "The situation is that big brother is trying to bully little brother."

## Waldheim to visit Jordan next month

AMMAN (AFP). — Austrian President Kurt Waldheim will make an official three-day visit to Jordan starting July 1, his first visit to an Arab country since his election as president. Western diplomatic sources said here yesterday. Waldheim will hold talks with King Hussein on Jordanian efforts to organize an international Middle East peace conference, the sources said.

## 17 die in fire at Japan home for aged

TOKYO (AP). — Seventeen people were killed and 23 injured in a fire at a home for the elderly in suburban Tokyo, police said yesterday.

The injured, none of whom was hurt seriously, were taken to local hospitals after their rescue from the Shojuen Rest Home in the north-western outskirts of Tokyo, said Katsuyoshi Yamanaka, a police officer in the city of Higashi-Murayama.

He said the cause of the fire was not immediately known.

## West Europe warming to Soviet Union

STOCKHOLM (AP). — West Europeans think Soviet leader Mikhail Gorbachev is doing more for world peace than U.S. President Ronald Reagan, according to polls from nine countries published yesterday.

The Stockholm-based newspaper *Dagens Nyheter*, which commissioned the polls, said West European attitudes toward the Soviet Union are clearly warming.

## Filipino army hunts 'Sparrow' killers

MANILA (Reuters). — Armed forces intelligence officers and "special action units" have joined the hunt for assassination squads who gunned down seven policemen and soldiers in the last few days, the Philippines' armed forces commander said here.

General Fidel Ramos attributed the killings to the pro-Communist Sparrows — highly trained, well-armed units, named for the swiftness of their attacks.

## Frustrated E. German rock fans stone police

BERLIN (AP). — East Germans lobbed stones and bottles at Communist border police who refused to let them get close to the Berlin Wall to hear an open-air rock concert in the western part of the city on Saturday night.

Witnesses said about 1,000 East Germans had gathered to hear the concert by rock star David Bowie, who was performing outdoors in West Berlin. His music could be heard on both sides of the Wall, but the police distanced the fans from the area.

## China, Mongolia sign border accord

PEKING (Reuters). — China and Mongolia have signed a boundary treaty in the Mongolian capital of Ulan Bator, the New China news agency said yesterday.

It said the treaty "spells out ways of handling border problems between the two nations" but gave no more details.

Mongolia is a close ally of the Soviet Union. China has demanded the total withdrawal of Soviet troops in Mongolia, estimated at about 60,000 by Western sources.

In Moscow yesterday, the Defense Ministry announced that a limited withdrawal of Soviet troops from Mongolia has been completed. It said the troops pulled out were one motorized rifle division and several separate units.

## Egypt holds 500 after assassination attempts

CAIRO (AFP). — Egyptian police have arrested 500 "religious extremists" following recent assassination attempts in Cairo. Interior Minister General Zaki Badr said here yesterday. The minister told a meeting of the Ruling National Democratic Party (NDP) that "those whose innocence is established during an inquiry will be released immediately."

There have been three assassination attempts in Cairo in the last month, two against leading government figures, former Interior Minister Hassan Abu Bacha and Journalist Makram Mohamed Ahmed, and a third against three U.S. diplomats.

## USSR, Libya sign cultural treaty

BEIRUT (Reuters). — A Soviet delegation signed a two-year cultural treaty with Libya in Tripoli yesterday, the official Libyan news agency Jana reported.

The agency, monitored in Beirut, said the treaty covered "cooperation in the fields of culture, arts, media, sports, scientific research, exchange visits by experts and information on scientific research in both countries."

Libya also acquires most of its weapons from the Soviet Union, but Moscow has so far held back from signing a treaty of friendship and cooperation.

## 'Virgin Mary Year'

VATICAN CITY (AFP). — Pope John Paul II officially launched the "Year of the Virgin Mary" at a torch-lit mass outside Saint Peter's Church in Rome Saturday night.

He celebrated mass with six cardinals, several bishops and a thousand priests at an altar set up on the steps leading to the church.

A painting of the Virgin Mary, brought from the Church of Santa Maria Maggiore, was set on a flower-filled dais lit by powerful floodlights.

## Doctors hope new experiment will lead to breakthrough

# Swedes on track of senility disease that kills

STOCKHOLM (Reuters). — A team of Swedish doctors is testing what they hope will be a cure for Alzheimer's disease, the brain disorder that makes its victims prematurely senile and eventually kills them.

The actress Rita Hayworth, sex symbol of the 1940s who died last month at the age of 68, was one of the best-known victims of the disease. The memory lapses which afflicted her in her 40s were first taken for symptoms of alcoholism.

The disease is named after a German neurologist, Alois Alzheimer, who first diagnosed it in 1906. It shrinks the nerve fibres of the brain and in the end all cerebral activity ceases. Despite extensive research, there is no known cure.

A team at the Department of Psychiatry and Neurochemistry of Gothenburg's St. Jorgen's Hospital has started a clinical experiment that could lead to a breakthrough.

"The 20 patients selected for

treatment all have Alzheimer's disease at a non-advanced stage. Patients in the terminal phase are beyond reach for us," research team head Lars Svennerholm told Reuters.

Doctors estimate that around five per cent of all people aged over 65 in the world suffer from senile dementia, of which Alzheimer's disease is the most common type. For people aged over 80, the proportion rises to 20 per cent.

The Swedish team believes the main cause of the disease is the brain's inability to produce gangliosides, a substance vital for preserving nerve fibres, which transmit information from the brain to other parts of the body.

Svennerholm and his team are giving the test patients daily intramuscular injections of gangliosides, the first time this method has been tried on humans, in the hope of inhibiting the breakdown of the fibres.

The substance has been extracted from the brains of calves, as bovine and human gangliosides are identical.

The 20 patients' intellectual and emotional reactions as well as their ability to coordinate their movements are being closely monitored throughout the experiment. If successful, it will continue on a larger scale, Svennerholm said.

In the early stages of Alzheimer's disease, patients suffer from frequent lapses of memory when appointments are forgotten and close friends or relatives become strangers.

Sudden and inexplicable emotional swings from tender affection to aggression are also frequent. As the disease progresses, daily routines like dressing and going to the lavatory become big problems.

Later on, patients become increasingly confused and can hardly speak. When death finally comes, the victims curl up like fetuses and die cut off from the outside world.

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## Pressing demands for full equality

## Israeli Arabs to strike today

By DAVID RUDGE  
Jerusalem Post Reporter

SHFARAM. — Thousands of Israeli Arabs are expected to demonstrate outside the Knesset tomorrow against what they described as the government's "apartheid policies."

The planned demonstration is slated to be the first in a wave of protests culminating in a general strike of the Arab sector later this month.

The decision to launch the nationwide action campaign was taken at a meeting of Arab leaders at Shfaram town hall on Saturday. It was attended by local council heads, religious dignitaries, Arab Knesset members, Histadrut activists and representatives of other public organizations in the Arab sector.

The Arab leaders maintained that discrimination had reached new heights with the government's recent decision to introduce differential tuition fees in universities.

They also complained about inequality in other fields, notably local authority budgets, schooling, health services, and housing.

"The situation is worse than at any time since the establishment of the state," said Ibrahim Nur Hussein, chairman of the national committee

of Arab local councils and mayor of Shfaram.

"We had an agreement with the Interior Ministry that our budgets would be gradually increased to bring them in line with those of similar-sized Jewish local authorities," he said.

"We were also promised that there would be money available to build at least 200 new classrooms this year to replace at least some of the unsuitable rented accommodation in which thousands of our children have to study. None of these promises has been fulfilled," Hussein said.

In addition to the mass protest

outside the Knesset tomorrow, demonstrations are to be held in Nazareth and the villages of Yasif and Taibe on Friday afternoon.

This will be followed on June 24 by a one-day general strike that will include shops and businesses, schools and municipal services throughout the 48 towns and villages inside the Green Line.

"If, in the meantime, the government agrees to take action to rectify the imbalance, we will gladly call off the planned action. But if they pay no attention to our demands, we will intensify the campaign," warned Hussein.

## Technion's enrolment reported down because of limited job opportunities

By YA'ACOV FRIEDLER  
Jerusalem Post Reporter

HAIFA. — The president and vice president of the Technion yesterday expressed concern at the decline in enrolment over the past year in the vital electrical engineering and computer science departments by 11 and 14 per cent respectively.

Probable causes of the decline, they felt, were limited job opportunities in the electronics industry, and a shortage of lecturers and laboratory equipment caused by the institute's financial problems.

"We are not yet facing a total breakdown, but the lack of funds is forcing us to save on investments for the future, in our libraries, laboratories and materials procurement," Technion president

Max Reis told reporters.

"We must replace equipment dating from the '60s and '70s that is no longer useful; our students are not getting the chance to work with the modern equipment in use in industry. The sums needed are not astronomical and we are turning to our overseas friends to collect them for us," he said.

His deputy for financial affairs, Michael Schusheim, was "less optimistic." He noted that the Technion's accumulated deficit amounted to \$12.5 million, in a budget of \$75 million, and is expected to rise to \$16 million by the end of the next academic year.

"A deficit of this size with no real hope of covering it in sight is terribly distressing. If

technological education is not given higher national priority, the Technion will face paralysis," he warned.

The vice-president for development, Prof. Brian Silver, stressed the Technion's need to develop its biotechnology and superconductor studies in order to keep up with developments in the world of science.

In his report to the international board of governors, which is to hold its annual meeting here next week, Reis stated that the very success of science and technology had created new teaching problems as progress snowballed.

"We worry about technologies taught becoming obsolete within the four or five years it takes our students to finish their degrees," he stated.

## TV heavily attacked for filming W. Bank programme

Jerusalem Post Reporter

Israel Television came under heavy attack yesterday from the Broadcasting Authority plenum for Uri Goldstein's documentary *Journey Home*, which was screened instead of Friday night's news magazine.

The documentary focused on the situation in the West Bank after 20 years of Israeli rule. "It was a call to incitement," declared Shaul Amur, a member of the IBA management committee. Another member of the plenum said that ITV was propounding the Arab viewpoint rather than Israeli policy. None of the positive aspects of life in the territories was shown, he stated.

IBA chairman Micha Yinon, who is Orthodox, did not see the programme on Friday night, but watched a rerun yesterday and said it was professionally produced but could have been edited more selectively,

with less emphasis on the tragedy that befell the Palestinians and more on the side of (Jewish) settlement.

ITV chief Haim Yavin, who was on vacation while the programme was being made, defended it, saying that "It was an excellent programme in every way."

Uri Porat, director-general of the Broadcasting Authority, said he himself had made cuts in the programme at the last minute, but added that it should never have been allowed to reach the stage that it had without intervention along the way.

## Orit Arbib freed

RAMLEH. — Orit Arbib walked out of Neve Tirza prison here yesterday after serving six years of an eight-year sentence for robbing the Keren Or jewelry plant in Ramat Gan.

While in jail, she gave birth to a son whose father, Herzl Avitan, is serving a life sentence for murder.

## An unconventional Carmen

THE TRAGEDY OF CARMEN, directed by Peter Brook, Musical Direction: Marina Constant. With Cynthia Clancy, Carmen; James Elsbach, Don Jose; Agnes Bost, Michaela; Julie Gardner, Escamillo; John Paul Dunsen, Zazgi; Robert Langford, Loyd; Lilla Pashin, Ofra Shikarski, Garcia. Youth Orchestra of France directed by Marina Constant. (Jerusalem, Sherover Theatre, June 6.)

If art truly imitates life, it does so by establishing for each medium certain conventions which the "consumer" of that medium must swallow whole before becoming an "appreciator." Double those conventions for the extravagant art of opera; consider that, for *The Tragedy of Carmen* Peter Brook shifted the traditional operatic balance in favour of the theatrical truncating the original orchestra, cutting the show to about 90 minutes, limiting the dramatic personae to principals only, and assembling a luminous cast who act as well as they sing. One may wind up with a lot of frustrated opera purists and confused theatre people.

Brook opted to ally the confusion and perhaps compound the frustration: he added some Hebrew text to the semispeak opera comique style and bequeathed the band periodically with recorded playback. His concept of larger-than-life opera as intimate theatre is compelling, and its realization, while slightly limited by the Sherover's proscenium, is genius, filling that stage with life and aiming all his resources squarely at the heart of the drama. If this constitutes pandering to the public, then more power to the panderer.

The unconventional result, even more hybrid than conventional opera, is recommended warmly and loudly to all for whom the phrase "musical theatre" comprises two words of parallel stature.

DANIEL ZIFF

## Litterbug fined

A Jerusalem teacher was fined NIS 350 yesterday for throwing sunflower seed husks out his car window. In imposing the fine, the Haifa District Court judge said that a teacher must set a good example. (Itim)



Mayor Teddy Kollek and Housing Minister David Levy attend a street-naming ceremony in the capital's Pisgat Ze'ev neighbourhood yesterday.

## Teachers' union heads to meet with Navon

TEL AVIV. — Education Minister Yitzhak Navon will meet this morning with Histadrut Teachers' Union secretary-general Yitzhak Welber and Secondary School Teachers' Association chairman Shoshana Bayer to seek a solution to the continuing crisis over the education budget.

The teachers say the proposed cut of 50,000 teaching hours is too much, but they will not say — at least not publicly — what level of cuts they would accept. If the teachers are not satisfied with the results of today's meeting, new sanctions may be imminent.

## Ya'acobi to take communications job

Jerusalem Post Reporter

The cabinet yesterday approved the appointment of Gad Ya'acobi as communications minister. Ya'acobi will continue in his present capacity as minister of economic planning.

The communications portfolio has been held on a temporary basis by Prime Minister Shamir since Amnon Rubinstein, the head of the Shinui faction, resigned the post for political reasons at the end of last month.

The Ya'acobi appointment will be brought to the Knesset this week for parliamentary approval.

## You can't laugh in the wrong places

By LEV BEARFIELD  
Jerusalem Post Reporter

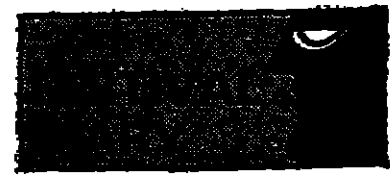
For anyone who might feel intimidated by avant-garde theatre, Irish actor Barry McGuovern has at least one reassuring observation: he doesn't think it's possible for an audience to "laugh in the wrong places."

McGuovern, who is currently starring in *I'll Go On*, a one-man dramatization of Samuel Beckett's trilogy of novels (*Molloy*, *Malone Dies* and *The Unnamable*), admits he is occasionally surprised by what evokes laughter among his audiences. But at no time does he ever condemn spectators for laughing when they do.

"Obviously," he says, "people laugh because something strikes them as funny. That's an honest and genuine response. Who am I to judge if people find humour where I don't? It could be they see things that I don't."

Readers familiar with Beckett's dense and manically dark novels, or for that matter with such apparently bleak and hopeless plays as *Endgame* and *Waiting for Godot*, may be surprised to learn that there is any cause for laughter at all in *I'll Go On*. But here McGuovern disagrees.

"The humour in this text," he says, "is very black humour, but it reflects a way that certain people have come to terms with the world.



There's a strong tradition of black humour in Ireland and, if I'm not mistaken, there's a Jewish tradition of this very dark humour as well. In any case, I am delighted with my audience here on opening night. They seemed extremely well-attuned to what Beckett is doing."

The 38-year-old native of Dublin has acted in numerous plays by the Nobel Prize-winning playwright, but calls *I'll Go On* a "particular labour of love."

"I'm very happy to spread the gospel of Samuel Beckett," he grins, "and I'm especially pleased to bring a taste or an essence of these marvelous novels to people who might not know them. Beckett's been misrepresented a good deal, often as a writer of despair, or nihilism. I think people seeing *I'll Go On* will understand that for all the darkness, this story of a search for self and a search for silence is ultimately positive. After all, the title is taken from the last three words of the final novel."

McGuovern is also pleased that Beckett, who has long lived in exile from Ireland, is now fully honoured in

his native land. "The younger generation readily acknowledges him as the last of that generation of genius Irish writers," he says, "and the Aosdana, which is our most prestigious academy, awarded Beckett its highest honour a few years back. In his typically terse manner, Beckett accepted by sending a cable from Paris that said: 'OK for Aosdana.'"

Beckett, who rarely comes out of seclusion, has not seen McGuovern perform in *I'll Go On*, but the actor reports that the two have met and Beckett approved of the production.

"I was sort of bullied into doing this by my friends at Dublin's Gate Theatre," McGuovern says. "I say bullied, because I think one-man plays are rarely successful. But we worked over the text for months before opening in September 1985. To my great surprise we were a tremendous hit. Then we travelled with it throughout Ireland, then Edinburgh, then London, and then last spring, when Beckett was celebrating his 80th birthday, we took the play to Paris. I had a very pleasant meeting with him, and he indicated that from what his friends had told him about the play, he was quite satisfied."

Local audiences have one more chance tonight to judge *I'll Go On*, before McGuovern goes on with it to Brussels and Amsterdam.

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# AIDS Alert

## Politicians Awaken To the Threat of a Global Epidemic

By STEVEN V. ROBERTS

**A**S the AIDS epidemic spreads through the nation's consciousness, rising public alarm is forcing the issue to the top of the legislative agenda. Acquired immune deficiency syndrome has become not only a devastating medical problem but an increasingly political one as well. Leaders from both parties are beginning to confront the difficult public-policy implications of the disease, which they predict will be a pressing concern during the remainder of the 100th Congress and next year's election campaigns.

"The AIDS issue is undoubtedly the most serious health problem we have ever faced in the United States," Senator John C. Danforth, a Missouri Republican, told the Senate last week. In the years ahead, he said, the disease will pose "enormous budgetary consequences for this country," as well as ethical and constitutional questions.

White House polls report that when people are asked to list the most serious issues facing the country, AIDS now ranks just behind war and peace and the economy. "Of all the issues, AIDS is the one that has moved most dramatically in the last six months," said Tom Griscom, President Reagan's communications director.

Last week, this increased concern was especially evident. Breaking long silences, President Reagan and

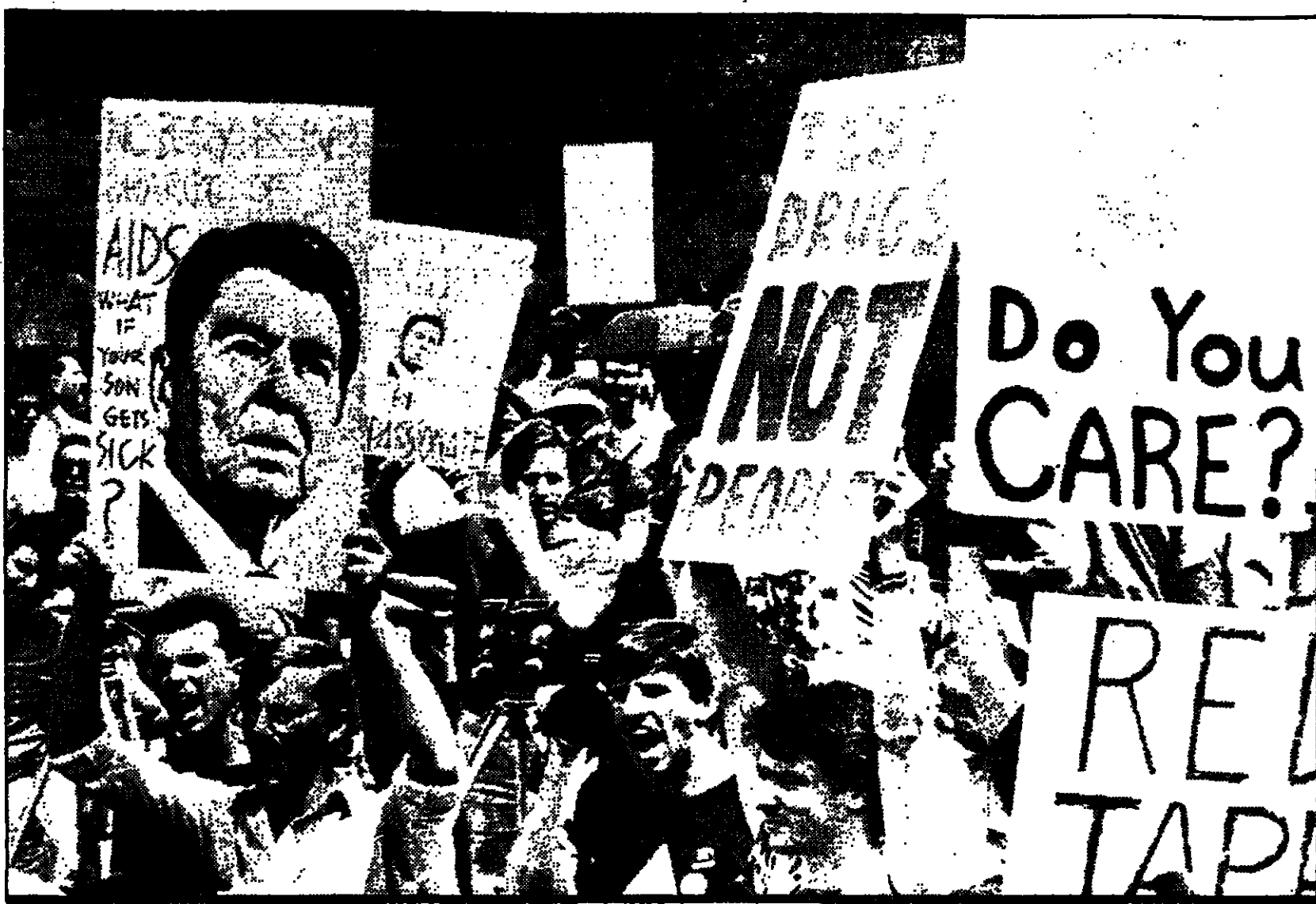
Vice President Bush made their first major speeches on the subject, calling for increased blood testing to identify carriers of the virus. Although they shied away from urging mandatory tests, their calls were greeted by scattered boos from critics who fear testing would drive those most at risk underground.

But the sentiment for more testing seemed to be gaining ground. By a vote of 96 to 0, the Senate endorsed an Administration proposal that all immigrants applying for permanent residence be tested.

Later in the week, many insurance companies said they are planning sharp reductions in the amount of life insurance they will sell to anyone refusing to be tested. Mayor Koch of New York even wanted foreign visitors checked.

Legislators find that their constituencies are increasingly worried about the disease, and are demanding action. When Senator Alan Dixon, an Illinois Democrat, held meetings last week in two communities in his state, the epidemic was the "major question," he said. Representative Richard A. Gephardt of Missouri, a candidate for the Democratic Presidential nomination, toured an AIDS clinic in Houston last month and spoke on the subject after he realized that the disease was "the one issue people seem to raise in nearly every forum in every state," said his spokesman, Don Foley.

Last year, similar pronouncements were made about the drug crisis, which has faded from the public-policy agenda. But few doubt that



Sygma/Jane Rosett

the AIDS issue is destined to persist. The intense anxiety that surrounds the disease stems from the growing belief that AIDS can strike anybody, and from the fact that there is no cure. While only about 4 percent of AIDS cases can be traced to heterosexual contact, the consequences of the disease make even the slightest chance of infection frightening. As a White House official put it, "The concern always is that you could be next."

### Administration's Plan

At the Third International Conference on AIDS, which was held here last week, Dr. Otis R. Bowen, the Secretary of Health and Human Services, announced an Administration plan for random testing of 45,000 Americans to gauge more accurately the extent of the epidemic. He also said that the Government planned to better educate the public and counsel intravenous drug users.

Critics, many of them advocates of homosexual rights, jeered when Dr. Bowen said AIDS had President Reagan's "complete attention."

Earlier in the conference, Dr. Harold W. Jaffe, the chief AIDS epidemiologist at the Federal Centers for Disease Control, tried to calm fears of a widespread epidemic by asserting that the disease is still confined primarily to homosexuals and intravenous drug users. But anxiety, sometimes bordering on hysteria, continues to spread. The most striking image of the week was the sight of Washington policemen wearing bright yellow gloves as they arrested demonstrators outside the conference, a precaution that health officials say is unnecessary.

Although politicians have been forced to confront the AIDS problem, few of them are certain what to do about it. President Reagan took a compromise position, endorsing "routine" testing for such groups as marriage license applicants and patients at venereal disease clinics. But he accepted the arguments of his Surgeon General, Dr. C. Everett Koop, against mandatory testing. By "routine" the President meant that people who object strongly could refuse the tests.

Most candidates are, like the President, groping for a middle ground. But that is not always easy to find.

Among Republicans, there are pressures from the right to condemn homosexual behavior as immoral and to recommend abstinence as the best prevention. Two Republican candidates for President, Senator Bob Dole and Representative Jack F. Kemp, recently withdrew from a dinner honoring Dr. Koop, a frequent target of conservative ire. At least one candidate, the Rev. Pat Robertson, has suggested the possibility of quarantining AIDS victims.

Democrats are pressured from the left to pay attention to homosexual and civil-rights advocates, who fear that testing will lead to discrimination. Mr. Foley, the spokesman for Mr. Gephardt, insisted, however, that Democrats have "learned the lesson of 1984," that "candidates who appear to be beholden to spe-

**Demonstrators demanding more forceful Government action on AIDS picketing the White House last week, testing for the AIDS virus.**



J.B. Pictures/Terry John

cial-interest groups ultimately lose support."

But the political world is only beginning to consider the pressing questions. What impact will AIDS have on the budget? Who should be

tested and how will test results be guarded? What kind of counseling and education is appropriate? And how should insurance and health care be restructured to cope with the epidemic?

### Few Mandatory Tests

### How Other Nations Approach the Problem

**E**VEN at the seven-nation industrial summit this week AIDS will be on the agenda. In attempting to change both public health practices and private conduct, European governments have begun shaping national policies. Most require reporting of AIDS cases, as in the United States, but not testing. Most have extensive educational campaigns, though they have far fewer cases than the United States. A sampling of measures taken by foreign governments follows.

**France** Reporting of AIDS cases is mandatory. A few groups, including prisoners and members of the armed services, are tested for the virus in the course of normal medical examinations. A publicity campaign with TV spots and subway posters began in April, and the law has been changed to allow advertising of condoms.

**West Germany** The Federal Government does not require reporting of AIDS cases or testing of any groups. The state government in Bavaria has begun compulsory testing of prostitutes, prisoners, drug addicts, applicants for jobs in the public sector and most non-European Community nationals applying for residence.

**Britain** There is no testing or reporting requirement. Leaflets have been mailed to every household in the nation and explicit advertisements appear on television, but two researchers at the Washington conference said the campaign had had "little impact" on high-risk groups.

**Japan** The Government has proposed legislation requiring physicians to report AIDS cases and positive results from antibody tests and giving local authorities power to order exams for suspected virus carriers. Educational programs are carried out by local governments.

**Sweden** Testing is entirely voluntary now, but in the autumn screening of military recruits and pregnant women will begin. Reporting of positive test results is mandatory, and anyone who knowingly transmits the virus may be isolated against his will in a hospital. Recently the number of those requesting tests has declined.

**Soviet Union** No AIDS policy has been developed, and publicity is limited to articles in the press. Officials say they plan to require testing of all foreign students.

### Volcker Leaves a Legacy of Low Inflation

## It's Greenspan's Turn at the Helm of the Fed

By LEONARD SILK

**S**UDDENLY last week, shortly before his departure for the economic summit conference in Venice, President Reagan announced that Paul A. Volcker had resigned as chairman of the Federal Reserve Board. His successor, Mr. Greenspan, would be Alan Greenspan, a business consultant who served as chairman of the Council of Economic Advisers under Presidents Nixon and Ford.

Mr. Volcker was widely regarded as the Hercules who slew the Hydra of inflation and as an intrepid defender of the dollar, so as soon as the news of his departure broke Tuesday morning, the bond market, the stock market and the dollar plummeted. Within hours, however, all recovered as the markets decided that Mr. Greenspan would take up the fight against inflation where Mr. Volcker had left off: Pragmatist had replaced pragmatist, conservative had replaced conservative.

But the arrival of Greenspan and the departure of Volcker, as the smart money sees it, is no simple case of Tweedledum replacing Tweedledee. Banking deregulation has replaced banking regulation. Free-market true believer has replaced intervener. And Republican has replaced Democrat, and a ferociously independent-minded Democrat at that.

By all accounts, the Reagan camp believed that Republicans and their candidate for the White House might face a serious problem in 1988 if Mr. Volcker stayed. Even at the risk of a recession on the eve of the election, he was fully capable of deciding that an increase in interest rates was needed to block inflation. This was not just an academic possibility: The Reagan Administration,

while taking credit for killing inflation, blamed Mr. Volcker's inflation-killing policies for the severity of the recession of 1981-82. And it remembered that Mr. Volcker's tough monetary policy of 1979 had choked off economic growth in 1980 and helped drive Jimmy Carter from the White House. Mr. Reagan hesitated to reappoint him, without some evidence that Mr. Volcker would be willing to bend the knee to White House and Treasury guidance.

But since his toughness and stubborn independence were the very qualities that had made Mr. Volcker a hero to the financial markets and to foreign governments, the Administration also hesitated to dump him.

For his part, Mr. Volcker did not want to stay without stronger support from the Administration and from his own Board of Governors, all Reagan appointees. He regarded that as crucial to his effective management of monetary policy in any future crises.

Finally, with his term scheduled to run out Aug. 6, Mr. Volcker wrote a letter to President Reagan, saying, "A natural time has now come for me to return to private life as soon as reasonably convenient and consistent with an orderly transition." Mr. Reagan said he accepted his resignation "with great reluctance and regret."

In Mr. Greenspan, Mr. Reagan has chosen an astute political talent as well as a professionally competent



Alan Greenspan

economist. When he became chairman of the Council of Economic Advisers late in the Nixon Administration, for example, he said his first task would be to rebuild the council's credibility. He thought that the Nixon council had been seen as "too political," too willing to bend its analyses and recommendations to suit the interests of the President.

However, some economists ask whether Mr. Greenspan would oppose a President as Mr. Volcker has done. Henry Kaufman, chief economist of Salomon Brothers, says Mr. Greenspan has always been an adviser and has yet to prove his political independence as a decision-maker. Mr. Greenspan, sensitive to such questions, immediately sought to dispel them. Praising Mr. Volcker's inflation-fighting abilities at a news conference, he said: "It will be up to those of us who follow him to be certain that those very hard-won gains are not lost." Checking inflation, he said, would be "one of my primary goals."

Presumably, his other top goals will include keeping the economy growing, reducing the United States trade deficit and its dependence on the inflow of foreign capital, preventing defaults by third world debtors and keeping the dollar stable.

Those will also be the major goals of President Reagan at Venice. In the lofty bureaucrat's characterizations such pronouncements, the briefing book for the sum-

mit declares: "We will stress the importance of actively pursuing the strategies for dealing with the interrelated problems of growth, debt, trade and finance. . . . We will emphasize the need for other summit countries to support global growth and the reduction of excessive trade imbalances through strengthened domestic-led growth."

But the problem facing Mr. Reagan and the six other heads of government in Venice is not in finding the goals but the means, especially when national interests or ideologies clash, as they often do.

For instance, Mr. Reagan has adamantly opposed raising taxes, even to reduce the budget deficit. But the other nations' leaders have insisted, as has Mr. Volcker, that reducing the huge budget deficit — by raising taxes if necessary — is vital if the Government is to cure the trade deficit, the overdependence on foreign capital and the ills of the dollar. This dilemma means that the United States will be bringing little bargaining material to the table in Venice that will enable it to get the growth-supporting policies it wants from its partners.

In an interview late last week, Chairman Volcker — he will stay chairman until Mr. Greenspan is confirmed by the Senate — said central-bank intervention to support the dollar "can't do much more than we've been doing." To prevent a further plunge of the dollar, he added, fiscal policy changes are essential: "We should be doing more — we're not very credible on the deficit."

The most important question for President Reagan at the summit, he thought, would be: "Is he able to convey the impression that he will reach agreement with Congress on a plan to reduce the deficit?" Sorrowfully, he concluded, "There is no reason to believe it."

It sounded like his parting shot. Little wonder that Mr. Reagan finally seemed to be asking, "Who will ride me of this unruly central banker?"

The answer came from Mr. Volcker himself, who wearily decided that, after eight years at the helm of the Fed, he had done his bit and, in the circumstances, could effectively do no more.



# The World

## Reagan Still Plans To Use the Navy In Persian Gulf

What the United States should do in the Persian Gulf remained a problem last week for the Reagan Administration.

There was widespread speculation that Washington might order an attack on Silkorm missiles that Iran is reportedly installing as a threat to passing tankers. In Italy for the economic summit, the President declined comment on the possibility of a pre-emptive strike against the Iranian missiles. His security adviser, Frank C. Carlucci, said, "We are not threatening anybody," adding that "it doesn't serve any purpose to speculate on military options."

Before leaving for the Venice summit, the President seemed to be sticking by his decision to involve the Navy more deeply, and possibly dangerously, in the gulf, where 37 sailors were killed on the American frigate Stark in a missile attack by an Iraqi plane last month.

"The American people are aware that it is not our interests alone that are being protected," the President said. Western European countries have hesitated to send their own ships and planes to defend oil tankers in the gulf, and, since the deaths on the Stark, there has been strong Congressional opposition to sending more Navy ships to defend 11 Kuwaiti tankers that are to fly the United States flag.

But in Washington there was a warning from the chairman of the Joint Chiefs of Staff, Adm. William J. Crowe Jr. "There are no absolute guarantees that such an operation will be casualty-free, or that Iran will not escalate the sea war, which will present us with further difficult choices," he said. "On the other hand, we have the capability to keep the oil lanes open, to assure our Arab friends of our commitment, and to keep the risks low."

## A Botha Foray Across Color Line

It would be against his principles to live there, but President



The Rev. Leon Sullivan

P. W. Botha of South Africa found the bleak township of Sharpeville not a bad place to visit last week. On Mr. Botha's first appearance in a major black area since 1978, Mayor Esau Mahlatsi made him an honorary citizen and about 1,000 children applauded the President and seven Cabinet Ministers before they helicoptered away from the place that has been a symbol of the struggle against apartheid since the police killed 69 black protesters there in 1960. "It was a wonderful experience," said the Minister of Law and Order, Adriaan J. Vlok. "How can they receive us like this?"

Mr. Botha reiterated his invitation to "leaders who reject violence and intimidation" to join in negotiating "peaceful solutions to our common problems," in the framework of a National Council with advisory powers.

Anti-apartheid leaders, who have rejected the proposal, boycotted the visit. Even Mayor Mahlatsi, who has been attacked by militants as a "puppet councilor" and collaborator, warned that the Botha council would be "an exercise in futility" unless it leads to participation of blacks and whites "on a par" in Parliament.

## New Sullivan Principles

Under the so-called Sullivan Principles, American companies could do business with South Africa if they widened opportunities for blacks and worked to end race segregation. But last week, the Rev. Leon Sullivan, the Philadelphia civil rights leader who created the code of conduct, said that the campaign had failed to crack apartheid, and he called on companies to unload their investments, and to end all commercial ties with South Africa.

Spokesmen for the Reagan Administration and a number of large companies said they favored staying in South Africa and working to end apartheid. But more than 100 American companies have left in 18 months. Mr. Sullivan's new stand is expected to add to the pressure to boycott the securities and products of those that remain. American opponents of apartheid said pension funds of five states, nine cities and 59 universities have confined their investments to companies that have either left South Africa or that support Mr. Sullivan's earlier stand.

## Lebanese Leader Is Assassinated

Since the civil war began in Lebanon 12 years ago, most of the 100,000

people killed have been ordinary civilians caught in a crossfire of rockets and machine gun bullets, or members of the militias that pursue the war. Only rarely have prominent Lebanese been victims.

Last week, Prime Minister Rashid Karami, a Sunni Moslem, was killed by an explosion in an army helicopter on the way to Beirut from his home in the northern city of Tripoli. There were reports that the bomb, which injured but did not kill others on the helicopter, had been placed under his seat or in his briefcase.

A Moslem radio station said the helicopter had been hit by a missile as it flew over the Christian port of Junieh, north of Beirut. But the Christian militia controlling that area denied any role and deplored the assassination. The Government, rarely able to govern the country, said it would investigate.

Mr. Karami, a 65-year-old lawyer, had been Prime Minister 10 times since 1955. His last term began in 1984 as head of a coalition Government that could not agree on a new power-sharing arrangement among the country's Moslem and Christian groups. A supporter of Syrian influence in Lebanon, he offered his resignation to Mr. Gemayel on May 4, frustrated by the lack of progress toward political settlement. The President did not act on it, fearing the departure of Mr. Karami would cause new strife. Another Sunni Moslem and former Prime Minister, Selim al-Hoss, was named interim Prime Minister. At week's end, the crisis was aggravated by the resignation of the Speaker of the Parliament, Hussein al-Hussein, a Shiite Moslem. The country was thus left with an estranged Christian Presi-

dent, and no permanent officials to run a Cabinet or Parliament.

## Bonn Acquiesces In Missile Deal

West Germany hates to be the odd man out, even when arguing with its allies about becoming just that. Edging away from an increasingly isolated position in NATO and West German domestic politics, Chancellor Helmut Kohl last week abandoned his objections to a proposed Soviet-American agreement on banning so-called shorter-range (300 to 600 miles) nuclear missiles from Central Europe. The proposed pact, which would also eliminate medium-range (1,000 to 3,100 miles) missiles, was endorsed, 232 to 189, in the West German Parliament.

Without the shorter-range missiles, some West Germans feared they could no longer be sure of American nuclear backing and might thus become more vulnerable to Soviet threats or to taking the brunt of an East-West war.

Contending that the proposed agreement would leave West Germany facing "crushing" Soviet superiority in battlefield nuclear weapons and "clear" superiority in non-nuclear forces, Mr. Kohl insisted on keeping 72 old Pershing I-A missiles, which have American nuclear warheads. Moscow says the Pershings must go; there is also disagreement on measures to verify an accord.

Katherine Roberts, Milt Freudenheim and James F. Clarity

## A Young Pilot's Visit to Red Square Shortens Several Careers

## Gorbachev Seizes the Chance To Restructure the Military

By BILL KELLER

LAST July, Mikhail S. Gorbachev assembled the officer corps of the Far Eastern Command in Khabarovsk to discuss problems in the military. "How is discipline?" the Soviet leader asked the district commander.

"Discipline in the district has not improved in recent months, and in some units and subunits it has even worsened," the commander confessed before the abashed crowd of top brass. The deliverer of that startling bit of candor, Gen. Dmitri T. Yazov, is the new Soviet Defense Minister — thanks in part to the unexpected intervention of a 19-year-old daredevil from West Germany.

In reporting the exchange, the army newspaper, Krasnaya Zvezda, or Red Star, called it "a lesson in truth." And the military may, at last, be in for a dose of "glasnost" and "perestroika," the catchwords of Gorbachev reform, meaning "openness" and "restructuring."

Few anticipated such far-reaching consequences when Matthias Rust, a passionate amateur flier from Hamburg, touched down on Bolshoi Moskovetsky Bridge and taxied up to the Kremlin Wall south of St. Basil's Cathedral on Red Square at about 7 P.M. on May 28, after an audacious five-hour flight through the world's most vaunted air defenses. The feat was so improbable, in fact, that foreign reporters who were tipped off shortly after it happened, dismissed the story as unreliable.

The initial man-in-the-street reaction in Moscow was delight at one man making sport of the system. An eyewitness, overstating somewhat, said Mr. Rust was welcomed on Red Square "like Lindbergh landing at Le Bourget."

As word spread through the Moscow gossip mill and the recently unjammed Western radio broadcasts, and

snippets appeared in the Soviet press, even top officials could not hide their smirks. Valentin M. Falin, a confidant of Mr. Gorbachev, suggested that Mr. Rust would be sent home with the thanks of the Soviet people for exposing loopholes in their air defense. By the end of the week it looked as though Mr. Rust would be allowed to stew for a while in Lefortovo prison to discourage similar joy rides, but would eventually be released.

The treatment of the military high command that allowed Mr. Rust's single-engine Cessna to penetrate Soviet security unimpeded was not so lenient. With surprising speed and openness, Defense Minister Sergei L. Sokolov, 75, was retired. The commander of the air defense system, Marshal Aleksandr I. Koldunov, was sacked with a harsh rebuke from the ruling Politburo. Other senior military figures were expected to be removed more quietly. "We have only to look at the map" to predict the casualties, said a Soviet official, meaning that military careers had been abruptly shortened all along the 400-mile course of Mr. Rust's journey.

## A Transition Marshal

For two years, Mr. Gorbachev has avoided any serious attempt to press for changes in the military, perhaps because he had his hands full with the civilian sector and perhaps because the Defense Ministry was uneasy enough about his arms control initiatives. Marshal Sokolov stayed on as a transition figure, as Mr. Gorbachev, who is 56, prepared to install someone in his own mold.

General Yazov, at 63, seems to be that man. The suddenness of his appointment suggests he was already in line to get the job. The fact that he was elevated over several more obvious candidates indicates he was recruited specially by Mr. Gorbachev, who, as chairman of the Defense Council, is roughly equivalent to commander-in-chief. And a glowing account of General Yazov's Far East command in Krasnaya Zvezda suggests that Mr. Gorbachev admires his style.

General Yazov has headed two of the Soviet Union's 16 military districts — the Far East and Central Asia — and commanded Soviet troops in Czechoslovakia. His commands have thus faced both NATO and China, giving him the breadth of experience that Mr. Gorbachev seems to favor when he makes promotions.

As Central Asian commander, based in Alma Ata, the capital of Kazakhstan, more recently the scene of ethnic rioting, General Yazov gained familiarity with the rising minority population in the Red Army, a change that brings with it difficulties of language and literacy and potential friction. Especially valuable for Mr. Gorbachev's purposes, he has spent the last 10 years out of Moscow, free of entanglements that would make it hard for him to clean house.

What Mr. Gorbachev and his new defense chief have in mind for the military is not completely clear, but there are some strong signs. In recent months, the press has begun to attack a general atmosphere of complacency and inefficiency in the military: poorly disciplined units, elite military schools that are simply camps for the privileged, favoritism in appointments, a need for more new people in command jobs, and the difficulties posed by the growing population of minority recruits.

The Gorbachev message to the generals, not unlike the one that military critics in the United States have been trying to deliver to the Pentagon for years, is, make better use of what you've got before you come asking for more. Perhaps, some Westerners speculate, that will mean trimming the estimated five million troops in uniform to a leaner force, freeing badly needed brains and bodies for the civilian sector. Another possibility, one analyst said, would be the creation of a professional corps of noncommissioned officers to provide guidance and stability. Diplomats here believe Mr. Gorbachev would also prefer to minimize the military role in foreign policy. Many think the Soviet leader blames the military for two decisions of the late 1970's that, in hindsight, seem not so bright: the quagmire of Afghanistan and the deployment of SS-20 missiles in Europe that brought American counter-deployments.

Taking on the military is not risk-free. Some segments of Soviet society were already uneasy about the upheavals under Mr. Gorbachev, and the military is accustomed to a certain reverence. And at some point, if Mr. Gorbachev does not solve the military's problems, they become his own embarrassment.



Dmitri T. Yazov, the new Soviet Defense Minister.

## Pope's Trip to Poland Is Stirring Memories of Militant Yesterdays

## Some Dissidents Fear Church Has Rejected Solidarity

By MICHAEL T. KAUFMAN

WARSAW — In a roundtable discussion published in Tygodnik Mazowsze, the most popular of Solidarity's underground publications, a group of social activists discussed this week's visit to Poland of Pope John Paul II with a sadness bordering, in some cases, on rejection.

In the view of some of them, the plans for the Pope's homecoming, as worked out by officials of the Government of Gen. Wojciech Jaruzelski and the Roman Catholic Church in Poland, reflect the church's withdrawal from, if not abandonment of, the outlawed Solidarity union.

Some participants in the roundtable complained that parish priests have been urging people not to bring Solidarity placards and insignia to public gatherings, because Polish television had agreed for the first time to show the crowds attracted by the Pope — on the condition that no political symbols are displayed. Others said that in Lodz, Poland's second largest city, women workers who will meet the Pope were selected from the most docile and party-dominated factory. John Paul is also to meet with Lech Walesa, the Solidarity leader, but apparently will not have discussions with other opposition figures, in contrast to the kind of bold meetings he held in April with dissidents in Chile. And when the Pope visits the grave of the Rev. Jerzy Popieluszko, the pro-Solidarity priest murdered by the secret police, crowds and cameras are to be barred.

Some Solidarity supporters have concluded that the Polish church is using the papal visit to signal an end to the Solidarity epoch. Some priests around Jozef Cardinal Glemp, the Roman Catholic Primate, agree that the church is trying to re-establish its traditional neutrality



Lech Walesa

and aloofness. Such neutrality, however, would probably be more damaging to a weak and fragmented Solidarity than to a Government that has been slowly regaining foreign contacts and turning public hostility into indifference. A member of the national Catholic Intellectuals Club was quoted in the Solidarity weekly as saying that the church's behavior reminded him of criticisms of the Vatican during World War II. Then, he said, "one could ask how much could it truly help the suffering nations of Europe, but it was hard not to notice that its foremost concern was to prevent the bombardment of its churches in Rome." It was understandable that the church has to pursue and protect its institutional interests, he added, "but when these interests are too divorced from other social issues, this has to raise doubts."

Another participant in the roundtable, identified only as a writer, said that the church's attempts to distance itself, while painful, were instructive. "One of the great tragedies of Solidarity," he said, "was its belief that Poland is different from any place else and that here the church testifies fully to the truth without taking political conditions into account." He added the "hope" that the Pope's visit will "mark the close of an epoch when political and social obligations were ceded to a church which could not fulfill them."

Even during the heyday of Solidarity, influential voices in the Polish church warned that its objectives were "sub specie eternitatis" — of an eternal nature — and that they could not be subordinated to either the Government or any social movement. The leading proponent

of this view has been Cardinal Glemp, who at times has chastised young priests for their activism, even banishing some to rural parishes. Arranged against the Cardinal are many priests who believe that the church has an obligation to shield the forces that are challenging the prerogatives of atheistic Communist rulers.

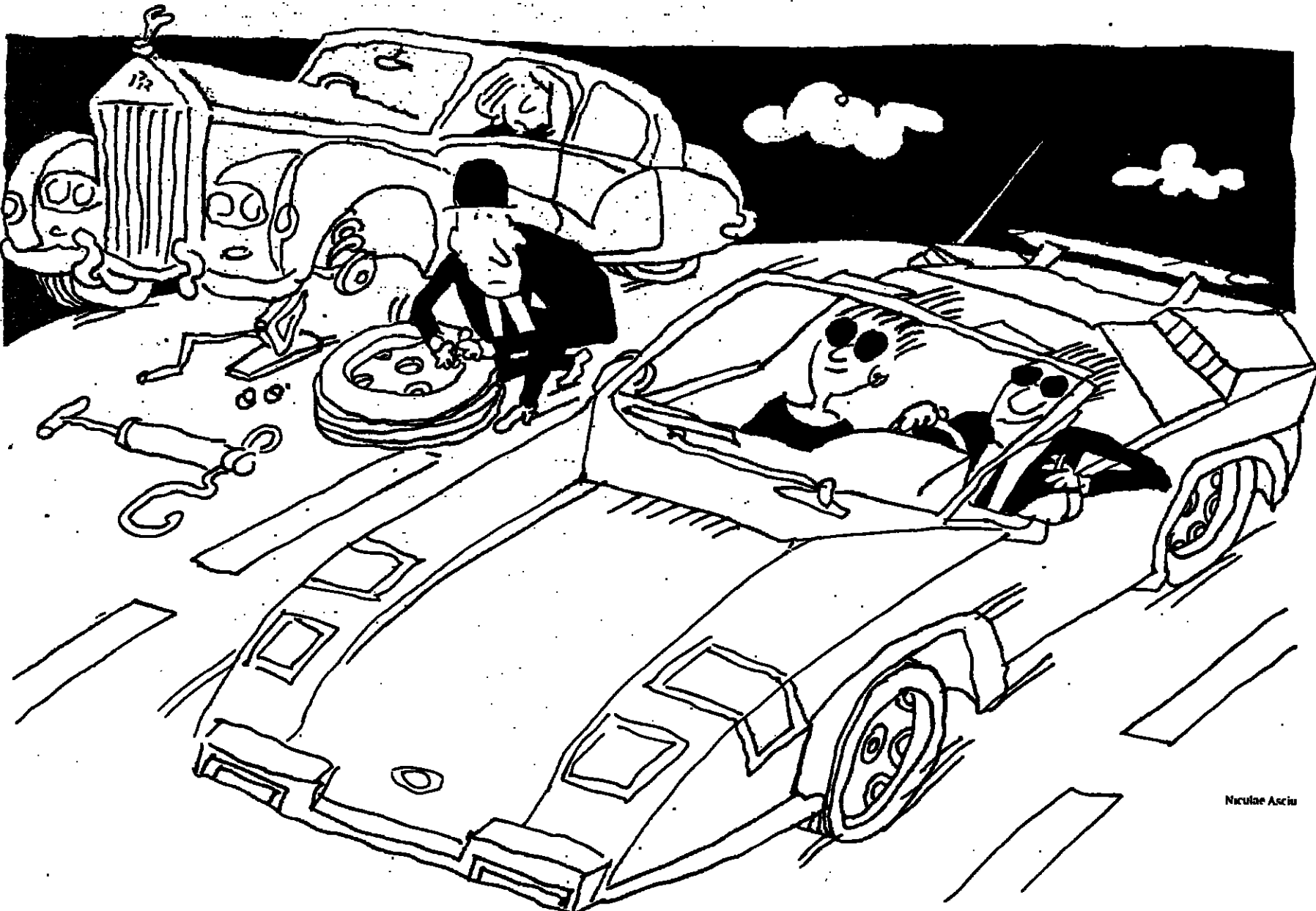
Tygodnik Mazowsze, the underground paper, quoted the Catholic intellectual club member as saying that despite the Primate's distaste for allying the church with social and political militants, many young priests are encouraging their parishioners to act in political opposition. Last week, Mr. Walesa and other top leaders of Solidarity met in a Warsaw church with priests, Catholic lay activists, artists, writers and lawyers. More than 60 people signed a statement calling for restoration of national sovereignty and democracy.

Polish church leaders, meanwhile, are carefully avoiding political characterizations. They say the Pope will emphasize individual commitment to religious and moral life and will call upon Poles to be better husbands and wives, give up alcohol and take greater pride in their work. However, such appeals to work more effectively have an unmistakable political dimension since the Government, too, has been urging workers to work harder and curb their demands for higher wages.

"The Pope will have to make it clear that in calling for greater commitments by workers he is not simply backing the Government," said a worker in a tractor factory who still identifies with Solidarity. "Of course, he will have to ask workers to make sacrifices because they are the only ones who can bring Poland out of the mess it is in. But I am sure that, like every Pole, he knows which leaders and which system is responsible for the mess, and in one way or another he will tell us that, too."



## Two Countries Face Elections After This Week's Meeting in Venice



## The British and Italians: Politics, Pride and Style

By R. W. APPLE JR.

THE British have long nurtured a passion for things Italian. A long line of monarchs have collected Italian art, notably paintings by Canaletto and drawings by Leonardo; writers from Keats to Jan Morris have come to see and rhapsodize over landscape and architecture, and so many Anglo-Saxon tourists have filled the quarter around the Spanish Steps in Rome that as early as the 18th century it was known locally as "the English ghetto."

But Britons have never taken this country seriously as a military, political or economic power. The average Englishman thinks of Italians as good painters, good singers, good cooks and, in recent years, even good football players, but still as faintly comical figures. So it has come as a rude shock in London and Liverpool to read studies and journalistic accounts suggesting that Italy has overtaken Britain in economic strength and that the quality of life here, at least in the more industrialized north, exceeds that in Britain by a substantial margin.

The Italians, proud of their growing strength, will be pressing again for acceptance as a senior, full-fledged member of the Western alliance at this week's summit meeting in Venice. Anything less they will take as a snub.

Prime Minister Margaret Thatcher of Britain, with what some saw as a lofty disregard for the sensibilities of others, caused a pre-summit controversy by refusing to meet the 79-year-old Italian Prime Minister, Amintore Fanfani, in London last month, and then announcing that she would arrive in Venice too late for the traditional welcoming ceremonies and leave be-

fore the equally traditional closing luncheon and news conference. Italian dignity was sorely affronted.

Both countries are in the midst of election campaigns, and even when Mrs. Thatcher and Mr. Fanfani are talking with President Reagan and their colleagues from West Germany, France, Japan and Canada about taxes and tariffs and terrorism, their minds will be at least partly on domestic politics. Britain goes to the polls Thursday and Italy, next Sunday. In both countries, major change seemed a real possibility before the campaigns began, but it now appears more probable, barring upheaval, that the status quo will be preserved.

Mrs. Thatcher is that rarest of modern politicians, a leader who is disliked and yet respected by her electorate. In her two terms, she has tamed the obstreperous British trade unions and rekindled, to a degree, a spirit of enterprise. But, with unemployment rampant, progress has come at a high cost, and she has been criticized as an "uncaring" Prime Minister. For many months, a hung Parliament seemed possible, in which neither her Conservatives nor the opposition groups—Labor under Neil Kinnock or the Liberal-Social Democratic Alliance under David Owen and David Steel—could muster a majority.

### Winner Take All

Labor is doing a bit better than anticipated, according to most polls, despite apprehension over Mr. Kinnock's opposition to American nuclear armaments. The Alliance is doing a lot worse. Mrs. Thatcher, benefiting as in 1983 from a divided opposition, seems headed for a renewed Commons majority, even though the Tories appear likely to receive only 41 percent to 44 percent of the popular vote. Such are the workings of Britain's winner-take-all system.

The final week of campaigning could change the picture, of course, but few expect that because, as an Alliance leader said of Mrs. Thatcher, "Too many people in this country think she has things moving in the right direction."

In Italy, which has been ruled since World War II by coalitions in which the Christian Democrats have always formed the largest bloc, the questions since elections were announced in April have been: Can the Communists, who have been excluded from all 46 post-war governments even though they are the second largest party, overtake the Christian Democrats? If so, will they be able to muscle their way into the new government coalition?

"We are on the verge of revolutionary change," an Italian diplomat said, "yet most of the world doesn't seem to realize it."

But the Christian Democrats, who have been trying hard to recruit younger, more vigorous spokesmen to succeed the generation represented by Mr. Fanfani and Foreign Minister Giulio Andreotti, appear to be holding their own, perhaps partly because of longstanding fears of letting the Communists into government. A crucial element may be the showing of the Socialists. They have prospered under Bettino Craxi, who led a five-party coalition from 1983 until he resigned as Prime Minister March 3. A poor showing by the Socialists, who have been hurt by assertions that Mr. Craxi is manipulative and arrogant, could benefit the Communists. But recent polls indicate no sweeping changes.

Mr. Craxi has enlivened the campaign, and infuriated Christian Democrats, by refusing to say whether he would take his party into a coalition that included the Communists. "In politics," he says, "it is never wise to say never," giving the scenario-spinners here the opportunity to come up with all sorts of possible combinations.

Still, the prospects for continuity—and thus for generally untroubled relations with the United States—appear almost as strong here as in Britain. The difference is that a victory for Mrs. Thatcher would represent a mandate for continuing change, while the probable Italian outcome will constitute little more than a recipe for further laborious coalition-building, with little or no effect on governmental policies.

## Gandhi's Gambit

## India's Aid To Tamils Is 'Aggression' To Sri Lanka

By STEVEN R. WEISMAN

COLOMBO, Sri Lanka  
It was portrayed by India as a mission of mercy and by Sri Lanka as a "naked act of aggression." But diplomats and other experts said the air drop of aid to the ethnic Tamil minority in northern Sri Lanka last week mainly underscored India's growing aspirations to regional power status. The air drop was made after Sri Lankan naval vessels turned back a flotilla of fishing boats carrying the aid. Prime Minister Rajiv Gandhi's unexpected decision to dispatch 25 tons of food and medicine, most of it to territory held by Tamil guerrillas battling for an independent nation in Sri Lanka, abruptly transformed perceptions and politics in South Asia.

India's attitude toward the small island country off its southern coast derives from both geopolitics and myth. In India's ancient epic, the Ramayana, the Hindu god Rama slays the demon king of Sri Lanka who had kidnapped his wife. Some Indians drew metaphorical comparisons to Mr. Gandhi. They saw him as the hero trying to recapture the lost love of the public by battling the demon of his own perceived weakness in the face of domestic scandals and disarray in his Congress Party.

The strained relationship with Sri Lanka also grows from India's aspirations to nationhood, reviving a once-glorious 5,000-year-old civilization. India remains strangled by poverty and overpopulation, but its young leaders believe economic growth and science and technology will make it a global power.

Indians fear that they may not have a unified country after all, but only a disparate collection of warring ethnic, regional, linguistic and religious groups. Their greatest security threats are internal—Sikh separatists in the northern state of Punjab, the growing disaffection of Indian Moslems, the restiveness of southern ethnic groups, including Tamils. The Tamil insurgency against Sri Lanka's Sinhalese majority poses another such test.

The ethnic and religious ties between India's 50 million Hindu Tamils and Sri Lanka's two million Tamils are a fact of life for any Indian leader. Prime Minister Indira Gandhi channeled aid to Tamil secessionists in Sri Lanka to placate secessionist Tamil sentiment in southern India. Her son, Rajiv Gandhi, shifted course in 1985, apparently recognizing that stoking a neighboring insurgency weakened India's case against Pakistan, which it accuses of doing the same with India's Sikhs and Moslems. Mr. Gandhi then sought to mediate, backing greater autonomy for Tamils in Sri Lanka. When the guerrillas balked, apparently feeling strong militarily, he angrily authorized the seizure of Tamil arms caches in India last year. Since then, however, the tide has shifted to favor the increasingly better-trained Sri Lanka Government forces. The rebels have been rolled back in the north and largely confined to the small Jaffna peninsula, vulnerable to blockade and encirclement.

### Exaggerated Reports

This year, it was President J. R. Jayewardene's turn to be intransigent as Sri Lankan emotions surged after Tamil-inspired bomb attacks on civilians. Ignoring Mr. Gandhi's appeal for restraint, Sri Lanka stepped up air strikes and naval shelling against the guerrillas, also inflicting extensive civilian damages. When Tamil spokesmen fed the Indian press exaggerated reports of thousands killed, Mr. Gandhi had little choice, diplomats said, but to stop Mr. Jayewardene.

When the Sri Lankan leader blocked India's first attempt last week to send aid to the Tamils in a flotilla of fishing boats, the Indian leader's aides say, he felt his credibility was at stake with the Tamils, in particular, and Hindus in general. Sikh extremists have been attacking Hindus in Punjab, and Moslems clashed with Hindus last month in northern India. Suddenly Hindus were seen as threatened by Sikhs, Moslems and, in Sri Lanka, by Buddhists—who predominate in the Sinhalese majority.

An Indian official called the air drop "a case of force majeure." "In any such case," he said, "one may not be able to defend it in terms of morality or international law. But here's a democratically elected political leader doing what he feels he must do. That is the real world, after all." Sri Lankan officials fear Mr. Gandhi may invade northern Sri Lanka to help establish a Tamil state, just as his mother invaded East Pakistan in 1971, helping to create the independent nation of Bangladesh.

In the short run, helping the Tamil guerrillas may help Mr. Gandhi win an election in the Hindu-dominated northern state of Haryana. The costs of such a move could be high, however. India accuses Pakistan of interfering with its neighbors and also indignantly contends that Washington is using Pakistan to channel covert assistance to the rebels battling the Soviet-backed regime in Afghanistan. But if India continues to put pressure on Sri Lanka, New Delhi's chances of having its complaints taken seriously may be expected to dwindle.



Indian fishing boats before turning back last week in first attempt to deliver food and medicine to Tamils in northern Sri Lanka.

## National Debate Rarely Rises Above Party Politics

## Israeli Coalition Shakes but Doesn't Break

By THOMAS L. FRIEDMAN

JERUSALEM  
HOW much longer can it go on like this? That is the question asked most frequently in Israel about the country's "national unity" Government.

Consider what has happened in the last three weeks alone. The Government almost collapsed over the question of whether to attend an international Middle East peace conference; an uproar ensued when the Government decided in effect to charge Israeli Arabs more than most Israeli Jews for college tuition; it was revealed that the Shin Beth domestic intelligence agency had framed an Israeli Moslem army officer, forcing him to confess to treason he did not commit, and two commissions criticized top leaders for mishandling the Jonathan Jay Pollard spy case in Washington.

To top things off, Israel no longer has an ambassador in the United States, its most important ally, because Prime Minister Yitzhak Shamir of the Likud bloc and Foreign Minister Shimon Peres of the Labor Party cannot agree on a successor to Meir Rosenne, who ended his term last week.

"People cannot tell the difference between one scandal and another anymore," said the Haaretz newspaper diplomatic correspondent, Akiva Eldar. "They have lost all sensitivity. You know, Irategate has kept the United States busy for months. Here we have the equivalent of Irategate every week."

Why is it that Israel has had so many scandals without anyone at the top paying a political price? The immediate explanation is that both coalition partners in the national unity cabinet were involved to some degree in most of the recent affairs; by simply uniting they have managed to stave off all votes of no confidence.

But something more fundamental is also going on that is more troubling. It was revealed by the way in



Prime Minister Yitzhak Shamir (right) and Foreign Minister Shimon Peres voting in Parliament against no-confidence motions.

which Abba Eban, chairman of the Parliament's foreign affairs and defense committee, was treated after his panel's investigation of the Pollard case found that Mr. Shamir, Mr. Peres, Defense Minister Yitzhak Rabin and former Defense Minister Moshe Arens bore a degree of ministerial responsibility for the affair in which an American intelligence analyst passed secrets to Israel.

Put simply: Mr. Eban was cut to ribbons. After his committee's findings were issued, he was savaged by his own Labor Party for his "naïveté" in joining Likud parliamentarians in a report critical of Labor leaders.

In a way, Mr. Eban was naïve, but for the right reasons. A statesman by training and a Westernized Americanophile, Mr. Eban apparently thought that his committee was the equivalent of the Tower Commission, which examined the Iran-contra affair. His mistake was to forget that he was in Israel, where a mature political culture has not yet developed. That is why the scandals of

the last few years are bound to be repeated. There is virtually no national discussion here that rises above party politics. In the United States, Democrats and Republicans can occasionally drop partisan politics and act in the interests of the country, but that almost never happens here.

One reason why this is so is that Israeli society still remains deeply divided about what the basic interests of the state are—from what boundaries the country should claim to the proper relationship between secular and religious. The Jews who have flocked here from more than 100 countries are still not a single nation with a common understanding of the country. As the philosopher David Hartman put it: "Israel is still learning that it is a lot easier to pray for the in-gathering of the exiles than it is to live with them."

Moreover, because of the divisions here, each party always believes that its best interests are identical with the best interests of the nation. That was why the Labor leaders could not understand how Mr. Eban could allow them to be criticized along with the Likud. It is also why there is still virtually no ministerial accountability in Israel. Because in the tribal political environment that exists here no one can say, as President Reagan did in the Iran-contra affair, that mistakes were made and that we can all learn from them, without being tossed out by the other parties. As a result, no one pays for their mistakes, and no one takes responsibility for anything.

All Israel's leaders "are where they are because the party put them there," noted David Krivine of the Jerusalem Post. "They do what the party tells them," he said. "If they deviate from the party line they are thrown out by the scruff of the neck. If anyone has an idea of his own the only way he can express it is by forming a new party."

The only way this situation could be changed would be through the replacement of the present system of proportional representation, whereby people vote for parties, with a direct election system, with people voting for specific candidates who are then accountable to voters. "The exposure of sitting parliamentarians to the competitive hazards of personal elections will do wonders for our political morale," wrote Mr. Krivine. But the chance of such changes being instituted in the near future are virtually nil, since they would have to be passed by the same politicians who would be threatened by them.

# The Nation

## The Congressional Hearings: For Love of Cash or Country?

### Testimony Tarnishes a Colonel's Image

#### Hart Exit Changes Rules Searching for a New Face



Patricia Schroeder

**A** GOVERNOR considering a Presidential bid is confronted with newspaper reports that he committed adultery. A Congressman with no Presidential ambitions acknowledges his homosexuality. And more Democrats consider the Presidential run. All were reminders that Gary Hart's withdrawal from the Democratic Presidential race has changed not only the dynamics but the rules of the game.

For one thing, Democrats are stepping up their search for a fresh candidate. Mr. Hart's former national campaign co-chairman, Representative Patricia Schroeder of Colorado, announced that she was considering entering the contest. Some Democrats were intensifying their efforts to persuade Senator Sam Nunn of Georgia, a favorite of conservatives in the party, to run.

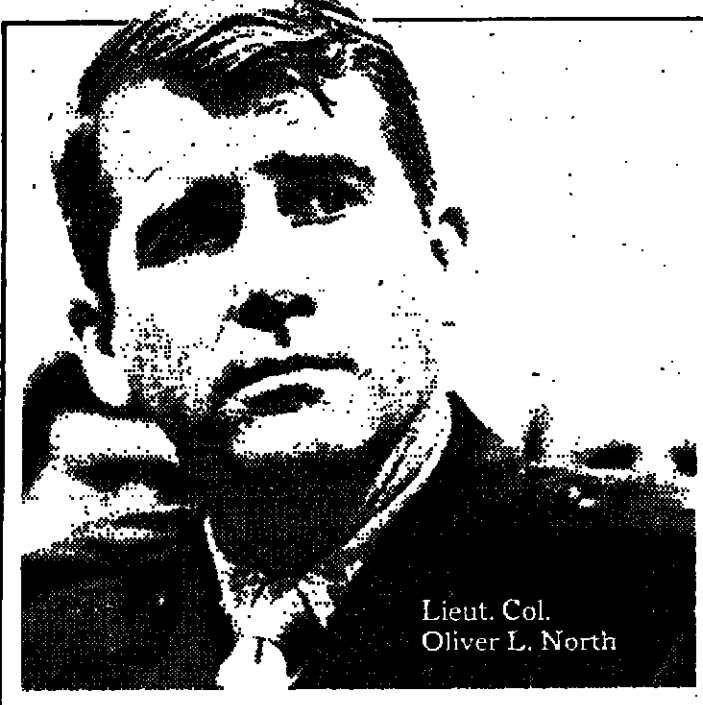
As for rule changes, since Mr. Hart's candidacy ended over adultery reports that he denied, reporters show little hesitation in asking Presidential aspirants, "Have you committed adultery?"

Gov. Richard Celeste of Ohio, who has let it be known that he was considering a Democratic Presidential bid, said in response to such a question that he did not have a "Gary Hart-type personal problem." Two days later The Cleveland Plain Dealer, the state's largest newspaper, published a report linking Mr. Celeste romantically to three women in recent years. His wife, Dagmar, said: "I feel that the greatest gift you can give, if you love somebody, is forgiveness."

Representative Barney Frank, Democrat of Massachusetts, is not running for President, but he acknowledged that the heightened public scrutiny of politicians' private lives was a factor in his deciding to disclose, in response to a question by a Boston Globe reporter, that he was a homosexual.

Meanwhile, former Senator Paul Laxalt of Nevada, a candidate for the Republican Presidential nomination, announced that he was dropping his \$250 million libel suit against the McClatchy Newspapers. In exchange, the newspaper group issued a statement saying that extensive pre-trial discovery "has not shown that there was a skim" at a casino he and his family once owned, or that he was involved in any wrongdoing. "The cloud has been removed," Mr. Laxalt declared, adding that he would henceforth be a more active candidate.

PHIL GAILEY



Lieut. Col. Oliver L. North

The New York Times/Marilyn K. Yee

By STEPHEN ENGELBERG

**F**ROM the beginning, the Iran-contra committees have said one of their most important goals was to trace the millions raised from the sale of arms to Iran. Last week they followed the money trail to the doorstep of Lieut. Col. Oliver L. North, the dismissed National Security Council aide.

Disclosures about Colonel North in the past few weeks have begun to redraw the picture of a man President Reagan last year called a "national hero." While nearly every witness thus far has warmly praised him as a patriot and a friend, their testimony has raised some troubling questions about his personal integrity and the motives of those he enlisted in his operations.

The unstinting loyalty of Colonel North's friends, some of whom acknowledged being misled by him in damaging ways, has been one of the more striking aspects of the hearings. But a persistent counterpoint to those testimonials has been testimony suggesting that, at the least, Colonel North considered the possibility of personal financial gain from the private operators who were handling the Iran and contra arms sales. Except for a few thousand dollars, there has been no indication that he actually did profit; but he is bound to be questioned about his personal finances when he testifies in mid-July.

In fact, according to one witness last week, Colonel North's interests leaned more toward the

partisan than the personal. Albert Hakim, the financial organizer of the arms deals, told the committees that during secret negotiations with Iranian officials in October 1986, Colonel North said he wanted to get hostages released "to enhance the position of the President" in the next month's elections.

Colonel North has remained silent about the case — indeed, court records indicated last week that at one time he faced being jailed for contempt of court because he was not complying with subpoenas from Lawrence E. Walsh, the special prosecutor investigating the Iran-contra affair.

Last week, in a compromise with Mr. Walsh, the Iran-contra committees voted to grant Colonel North limited immunity so that he could tell his story to the public. Mr. Walsh had urged the committees to delay granting immunity so as not to complicate possible

prosecution of the Marine who was the Government's "action officer" for the Iran and contra operations.

The scrutiny of Colonel North's personal dealings began early in the investigations when it was disclosed that he had accepted a \$2,000 security gate for his suburban Virginia home from a former Central Intelligence Agency officer. Several months later, committee investigators tracing travelers' checks bought by the Nicaraguan rebels discovered that about \$2,400 worth had been cashed by Colonel North for items such as groceries and snow tires.

Last week, the testimony of Mr. Hakim raised further questions.

Mr. Hakim told the committees he had set up a \$200,000 fund for Colonel North's family in case of his death; the money, plus interest, is untouched. Mr. Hakim said he had also named the colonel as one of the beneficiaries in a will that covered a \$2 million account. He said he sent his lawyer, Willard Zucker, to meet Mr. North's wife, Betsy, in Philadelphia to arrange what committee members termed a "sham" real estate transaction to pass \$70,000 to the North family. Mr. Hakim said the money was never paid because no "proper" way could be found to do it.

Mr. Hakim said initially that Colonel North probably did not know about either of these transactions, but later said he thought it unlikely that Mrs. North would go to meet a stranger without telling her husband something of what it was about. Mr. Hakim said he had asked Mr. Zucker to describe himself as an anonymous admirer of

Colonel North who wished to help with his children's education expenses.

Meanwhile, Mr. Hakim acknowledged that some of the money from the accounts for the Iran-contra arms dealings had been given to his partner, Maj. Gen. Richard V. Secord, who he said used it to buy a Porsche and a Piper Cub airplane. General Secord, who had testified earlier that he would accept no profit for helping the contras, said the money was a loan. Mr. Hakim, who was not at all apologetic about his desire for profit, testified that it was not a loan. The committees are thinking of recalling General Secord to ask about this and other conflicting testimony.

Colonel North's former associates are united in their unwillingness to condemn him or blame him. Earlier last week, Elliott Abrams, the Assistant Secretary of State for Inter-American Affairs, acknowledged that his inaccurate statements to the public and Congress may have been made in part because Colonel North misled him. He was asked whether he felt betrayed by Colonel North. "I have had a million unfair conclusions drawn about me," said Mr. Abrams. "Let's just give everybody a chance to state their case."

"I'm asking whether you felt betrayed by him," said Senator William Cohen, Republican of Maine. Mr. Abrams paused for several seconds and squirmed. Finally, he said: "At times."

#### Iran-Contra Affair The Story Unfolds

Conflicting stories were common currency in last week's Congressional hearings on the Iran-contra affair. Highlights of the week's developments follow.

- Joe Fernandez, former station chief in Costa Rica for the Central Intelligence Agency, said his supervisors and others in Government were fully aware of his helping the contras by coordinating air drops of weapons. When other officials denied any knowledge of his actions after the scandal broke, Mr. Fernandez said, "they were satisfying their situation but not mine."

- The Assistant Secretary of State for Inter-American Affairs, Elliott Abrams, maintained in combative tones that he was not involved in the covert aid to the contras and knew nothing of it despite many meetings and talks with Lieut. Col. Oliver L. North, the dismissed National Security Agency aide who ran it. "I was careful not to ask Colonel North questions I did not need to know the answers to," he explained. Mr. Abrams said his previous testimony to Congress on the subject, later proved false, had been "literally correct and perhaps misleading."

- Wholly unsatisfied with Mr. Abrams' testimony — one congressman called him a liar — committee members said it was unlikely that Congress would renew aid to the contras as long as Mr. Abrams held his job. But Secretary of State George P. Shultz said Mr. Abrams had his full confidence.

- Albert Hakim, the business partner of Maj. Gen. Richard V. Secord, said he set up a \$200,000 Swiss bank account for Colonel North as a "death benefit" for his children. When pressed, he said Colonel North must have known of the fund, although no money was ever drawn from it.

- David Lewis, a Washington lawyer, said an attorney representing Mr. Hakim asked him last October to help devise a scheme by which \$70,000, much of it from the Iran arms sales, could be channeled to Colonel North's wife. The plan was never carried out.

- Mr. Hakim testified that he attended a clandestine meeting last year in West Germany in which General Secord, in the presence of Colonel North, told an Iranian representative that the United States would help Iran depose Iraq's President Saddam Hussein — long a goal of the regime of Ayatollah Ruhollah Khomeini — and would go to war with the Soviet Union if it invaded Iran.

- Committee members said they would probably call General Secord back to ask him about sharp conflicts between his testimony and that of Mr. Hakim.

- The committees voted to give limited immunity from prosecution to Colonel North, over the objections of the special prosecutor, Lawrence E. Walsh, who said that could jeopardize any prosecution on criminal charges. Under the agreement with Mr. Walsh, Colonel North will not be called for public testimony before mid-July.

- Mr. Walsh subpoenaed three more Israeli citizens who were involved in the sale of arms to Iran, prompting a new burst of protests from Israeli officials: A former Israeli official subpoenaed last month has yet to testify.

## Views

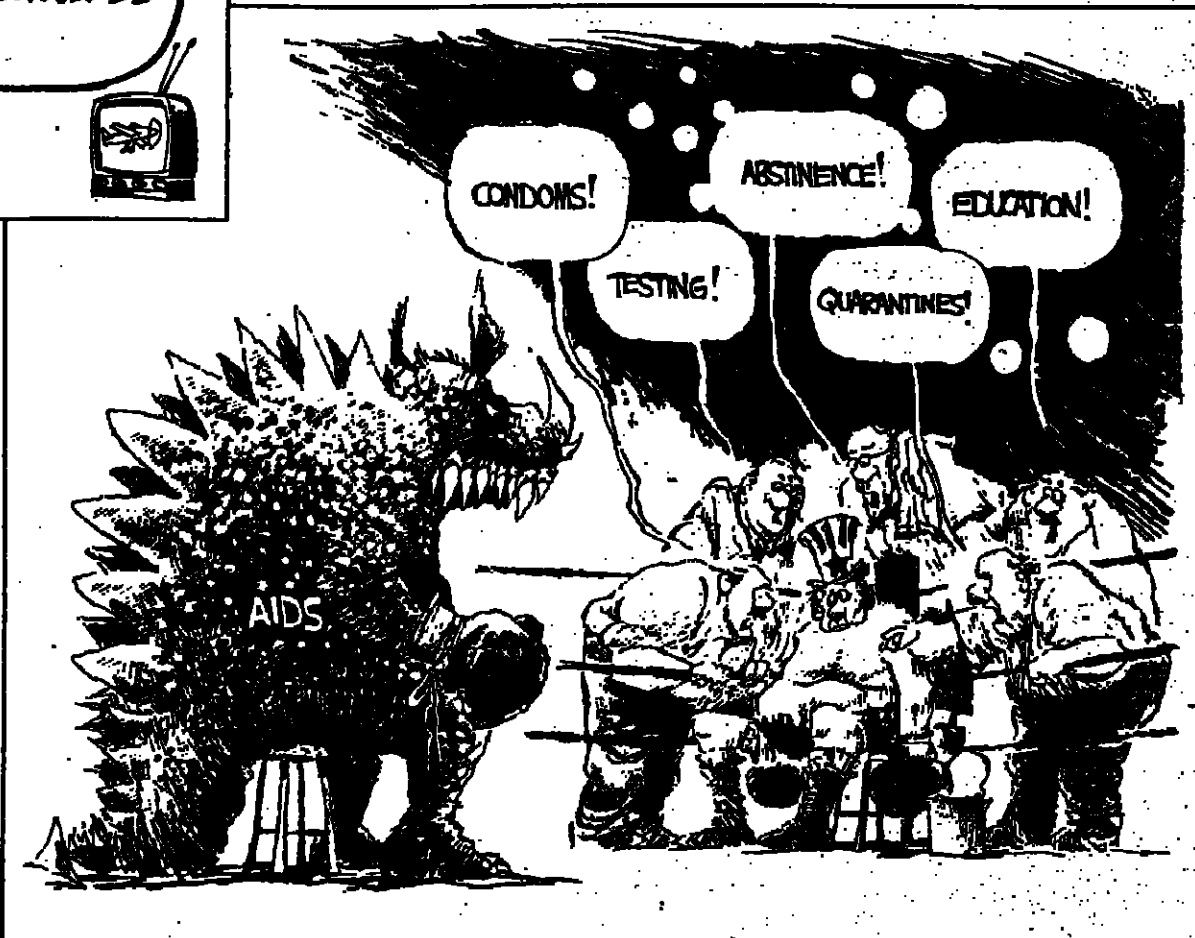
A portfolio from around the nation



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The Evening Sun  
Washington Post Writers Group



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Akron Beacon Journal



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# Arts & Leisure

THE BASQUE COUNTRY/Paul Delaney

## After Centuries In Turmoil, a Region's Culture Seems on the Brink Of a Revival

By PUAL DELANEY

FROM THE CLEAN streets of the Vitoria, the seat of the Basque regional government, to the urban centers of San Sebastian and Bilbao and the villages seemingly etched into the hills and mountains, the topic of most interest nowadays is the future of Basque culture.

Throughout Pais Vasco, or Basque country, in the Pyrenees of northern Spain and southern France, there is a determined effort to revive and restore the artistic expression of these lively, resilient, rural people.

There is a new burst of energy among Basque artists — indeed, all over Spain — that is seen through exhibits, such as the one ending today in the city of Alava — where paintings, etchings, photography and sculpture have been on display — festivals, such as the San Sebastian Film Festival in September (just behind the film festivals at Cannes, Berlin and Venice in importance in Europe); the new National Symphony Orchestra at Bilbao, and Teatro Bilbao and Antzerki theater in San Sebastian.

The Government is also sponsoring the second World Basque Congress, to run from August to December in San Sebastian, Vitoria and Bilbao, with 35 seminars and workshops in science, technical and cultural fields.

In all, the Basque regional government is spending \$80 million annually on cultural affairs.

At least some people here believe that Basque culture is on the verge of an explosion that will make itself heard above the bomb-throwers and kidnappers of E.T.A., the radical separatist group that commands world headlines.

The origins of this insular people are mysterious: Their language has no trace of any of the three major European linguistic families: Slavic, Germanic or Romance. They are the oldest surviving ethnic group in Europe, whom some date to Paleolithic times. After centuries of being caught between the crowns of France on the north and Spain from the south, the Basques were on the verge of a cultural boom in the early 1930's when the Spanish Civil War broke out. The Basques backed the Republicans and were considered traitors.

For that, they paid dearly. When Francisco Franco came to power in 1939, he banned Euskera, the Basque language, and for 40 years it was taught only illegally in underground schools. Many Basques were killed; many left the country. Many artists went into exile, as did intellectuals and partisans from Catalonia, another region that resisted Franco. However, since the establishment of the democracy in 1978, autonomous regions — including the Basque re-



Andrés Nagel with two of his works—The younger Basque sculptors often incorporate traditional heavy materials.

gion — have developed under the sanction of the Spanish constitution, and money is finally being channeled into cultural institutions and schools.

"Our objective is to recapture our cultural heritage," said Joseba Arr-regui, the cultural counselor for the Basque region. "There is a lot of activity, and the Government's role is to help organize and support it."

The arts in the Basque region have survived the batterings of political change, but they are still in a rather developmental stage.

There are some who question the future and worth of Basque art, remarking that it is crude and rudimentary. Indeed, the art and architecture of the region characterized by its use of heavy stone, wood and metal.

But a number of Basque artists are becoming known both within the region and outside it. Eduardo Chillida exhibited his sculpture "Three Mile Island" three years ago at the Chi-

cago International Art Exhibition, and Nestor Basterrechea Arzadun, another sculptor, will display his works in Madrid in June. A huge sculpture of a dragon by Andrés Nagel at the Renfe railroad station in Barcelona has drawn attention there — applause from the arts community and dismay from some residents.

While these artists are native Basques, much of their work has to do with life beyond the Basque region. Written work — plays, poetry, films — is often in Spanish rather than in Basque.

Critics often point out that the heavy material used by Basque sculptors represents masculine strength. Luis Pedro Peña Santiago, a critic for the Basque publication Guipuzcoa, noted in a review of Basterrechea's oak carvings in the Church of Lasarte, in a village near San Sebastian:

"The oaks from our forests, the bare wood, firmly coherent, offer us the harmony in the volume of the high

altar or the same severe style of the lectern; just to give two examples, wood is a vital element in that combination, in the purpose of harmonizing two worlds (and feelings) of art, which are basically in conflict."

Some younger Basque sculptors have picked up the use of heavy material — Daniel Castillejo and Txomin Badiola, for example — but employ more delicate lines. And there are some young abstract and impressionist painters. These younger artists, who often live outside the region, are both preserving Basque traditions and bridging the gap between the Basque and Spanish cultures by becoming known beyond the Pyrenees.

"Where we are lacking is in the area of the written word, literature. We don't have great poets and novelists because our language has been repressed," explained Itziar Elzora, a director of a project that is lobbying for a school system that teaches the Basque language.

The three languages of the area are: Euskera, the Basque language; Castellano, the Spanish spoken by about 70 percent of the population in the Basque region but a tongue that many Basques detest, and French.

One of the most controversial topics these days is whether the teaching of the languages should be integrated in the schools.

"We don't have a great history in literature," said Ms. Elzora. "We have many dialects; some people don't understand each other. It is a difficult language to learn and we have a lot of problems."

"There have been one-and-a-half centuries of conflict in the region," said José Antonio Ardanza, President of the Basque regional government. "We went from a rural to industrial people. Now we want Basque people from everywhere, from all ideologies, to come and participate and debate their ideas about where we are and where we're going." □

## Elie Wiesel on Hope

On Wednesday, New York's 92d Street Y will stage a benefit gala for the Y's arts programs. The gala, at which such artists as the cellist Yo-Yo Ma, the pianist Joseph Kalichstein and the soprano Dawn Upshaw will perform, will have as a centerpiece a cantata, "A Song For Hope," commissioned by the Y for the occasion from the composer David Diamond, with text by the Nobel Peace Prize laureate Elie Wiesel. In the following essay Mr. Wiesel talks about the impulse behind the cantata.

By ELIE WIESEL

A song for hope and not a song of hope — there is a difference between them. The first is an appeal, the second an answer to an appeal. To live in hope is one thing; to wait for hope, to long for it, is another. In this song we are still waiting.

How can we attain a hope that is constantly escaping our grasp? How can we keep hold of it, claim our right to it and then justify having done so? A searing question, and one that continues to confront our generation. Having survived the most monstrous tragedy in history, we are still trying to make it yield a meaning. How can we extract such a meaning, or put a name to it? Does it even exist? The more we struggle to understand, the less we succeed. The closer we think we are to the goal, the farther off it is. Everywhere we knock at closed doors, locked and bolted by death.

The determination of the murderer to murder; the determination of his victim not to resemble him; the complicity or at least the passivity of on-lookers, both near and far — how can we reconcile such things with the

**A cantata by David Diamond and the Nobel laureate will have its premiere this week.**

overwhelming need we all experience to cling to hope, whatever its nature or its origins? In a universe that has been tried and condemned, can we hope without blaspheming, or without being false to ourselves?

It was different during the black years of the war. We lived in fear, but we survived, thanks to hope. We were wrong. In the ghettos and camps, the victims found countless reasons for hope. The enemy wouldn't actually carry out his threats. The free world wouldn't allow him to. The war wouldn't last. The executioners would be disarmed in time. God would intervene. The murderers, in spite of their uniforms and their fanaticism, wouldn't overstep the bounds that every civilized human being must accept. . . . Having turned out to be a trap, hope appeared — or rather it appears now — as an accomplice of death. A more skeptical, less trusting, less idealistic attitude would have saved an incalculable number of victims.

At the end of the war, the problem was reversed. The survivors struggled desperately to attain the condition of hope, but hope eluded them. They took stock of their isolation. The world had abandoned them; they seemed to have been deserted by God himself.

And yet . . . It was essential for them to start living again, to found families, to build on the ruins, to laugh, to take pleasure in sunrise and sunset, to savor the taste of fresh bread, to immerse themselves in the melody of a song and the mystery of a human encounter. How did they begin? How did they succeed?

Animated by a strange and fascinating hope, they gave the world a lesson that it perhaps didn't deserve. While they were still being held in camps for displaced persons, they celebrated betrothals and weddings, created families, opened schools and cultural institutions. In this way they affirmed the central role of the sacred in everyday life, and the triumph of hope over extinction and horror.

Indeed, their behavior seems almost incomprehensible. But we must view it in the context of Jewish history as a whole. After our original exile we could have chosen the path of submission — but we didn't. How can we explain our refusal to surrender to terror during persecutions and pogroms, or the way that survivors were instructed to remain constant and to proclaim, in the name of the dead, an enduring faith in God and his creation?

I must confess that, of all the mysteries that characterize the Jewish people, its capacity for hope is the one that strikes me most forcibly. How can we think of the past without wondering in the abyss? How can we recall the victims of fire and sword without drowning in our own tears?

Such is the theme of this cantata. It represents for me the desperate effort of my own generation to invoke its right to hope. In the end, this right will become a duty. Instead of discouraging us, the spokesmen of the tragic past incite us to tenacity and faith. It is because Jeremiah has suffered that he can, in good faith, demand that we rise above our suffering. It is because our martyrs chose the supreme sacrifice, in order to remain true to themselves, that they have the right to urge on us another way than that of death.

Having seen the mountains of ashes replace or at any rate obscure Mount Sinai, my generation could easily and logically have chosen to go into perpetual mourning. If it didn't, it is because it heard the great silent voices of the past evoking the sufferings and ordeals that had preceded its own. To put it another way — yes, the children of Israel represent the problem of Israel; but the children of Israel are also the hope of Israel.

Does this mean that hope constitutes an answer to tragedy? No. There is no answer to the tragedy that my generation has lived through. It remains a mystery. And hope is a part of that mystery. □

### 'A Song For Hope'

Following is an excerpt from the text of the cantata "A Song For Hope," by Elie Wiesel and David Diamond:

A song of hope? A song for hope. In an inhuman world, humanity calls itself hope. In a despairing and desperate world, a hope for salvation is salvation. Listen, Jeremiah. Come near, Ezekiel. Children of the ghettos, persecuted beggars and tormented women, give us what you have been denied, some respite,

some joy. Messianic dreamers, students of the prophets, hassidic disciples, give us what you have been denied, some generosity, some humanity, some peace. Martyrs and heroes, the lost dead whom we refuse to forget, prisoners of Zion of yesterday and today, were for you: a call and recall, a song of hope, a song for hope: for Israel's answer are the children of Israel.

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### High Finance

BY JOHN R. PROSSER/Puzzles Edited by Eugene T. Maleska

#### ACROSS

- 1 Plunder
- 7 Like new
- 12 Hard money
- 16 Coin of Oman
- 20 Mandarin or temple
- 21 Indy 500 vehicle
- 22 Claudia Johnson
- 23 The Cat Nation
- 24 Strike it rich
- 27 Appear
- 28 Recipe direction
- 29 Capitalizes on
- 30 Hanky's partner
- 31 Snack-bar offering
- 33 Laundry employee
- 35 — cent
- 36 Turns over to
- 37 Sunday drives
- 38 Money in Edam
- 39 Have infection
- 40 Decreased one's where-withal
- 41 Clergyman in "Emma"
- 42 With mouth
- 44 Woman's catchall
- 46 Coin of Bulgaria
- 49 Inclined
- 50 Square one
- 52 — marche (cheaply, in Paris)
- 53 Silk for Rosalia
- 54 — one's pockets (profited unfairly)
- 55 Navigator's sine qua non
- 56 Miscounted
- 58 Tycoon
- 59 State peremptorily
- 60 Pan foe
- 61 Family bond
- 62 Confound
- 63 Turban of filmdom
- 64 Indian bead money
- 67 Bribes
- 68 Mint — (folding money: Slang)
- 70 Mountain ridge
- 71 — a plain man's love
- 72 One who gives collateral
- 74 Government notes, checks, etc.
- 76 Wawaskeesh
- 79 Teion and Wyoming
- 80 Ailays
- 82 Dumbarton
- 83 Snarl; growl
- 84 What pandemonium lacks

#### DOWN

- 1 Gold coin of British India
- 2 Rebel
- 3 Set the cost
- 4 Six-legged carpenter
- 5 Grunt sound
- 6 Dug out a bit more
- 7 Stretched the neck
- 8 Draws off wine
- 9 Cloyingly sweet: Slang
- 10 Calendar abbr.
- 11 Potential client
- 12 Hogsheds
- 13 Nautical term
- 14 Sault — Marie Canals
- 15 Man on a \$10 bill
- 16 Having a new perspective
- 17 Mashhad native
- 18 Conrad — U.S. poet
- 19 Eyes wickedly
- 20 Worn out
- 26 Kind of tank
- 32 Chip in a chip
- 34 Swindle
- 36 Chatted
- 37 Big spender
- 38 River too big for its branches
- 39 Slender candle
- 40 Box or mast
- 41 Flowed back
- 42 Vibrant
- 43 Pawnbroker
- 45 Starchy rootstock
- 46 Currency
- 47 Draw forth
- 48 Areas between mountains
- 49 Bacon piece
- 50 Compares prices
- 51 Town in NE China
- 53 Former Italian coin
- 55 Promising person
- 56 Cause euphoria
- 57 Actor Moore from London
- 58 Listless
- 59 Moneyed people
- 61 Pac-man noises
- 62 Units of loudness
- 64 Risk money
- 65 Syrup source
- 66 Buggies, in Bath
- 67 Deposits
- 69 Garden tool
- 71 Raccoon's cousin
- 72 Validation
- 73 Tadpole, e.g.
- 75 Die
- 77 Beds for Leo and Elsa
- 78 Actor Kristofferson

#### ANSWER TO PREVIOUS PUZZLE

PAAR DAVES REAR DALL  
ARME VINGE AUTE UNTE  
SYNEMATER COMPECTE  
TECHNIS PROPHETIC  
BENEFIT AUTION ALLOWA  
ALL EGG GREN  
GLOUS MICROBESIAL YOL  
LIPS CORD LYON DOYE  
AGE CHIVANITY VACUE  
HARRAGE REEBE ALUD  
OUBLE SROLD AANE  
COUPP REYVINA INEYCE  
ATTEGATRE OYERRE OKE  
OOPS COO GOGLE PATE  
DEY AUGUVOPE RECA  
SQUID ORIL TIE  
HOMENITE GOGLE LAYNE  
SOMENITE GOGLE LAYNE  
HOMENITE GOGLE LAYNE  
OGER BLUL ENNAVA NIVA  
WESS BLUL ENNAVA NIVA



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Founded in 1851

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## Forced AIDS Tests. Then What?

Of course, says everyone from the President to Mayor Koch. It's obvious: Test people for AIDS. Testing, whether called mandatory or sugared with the term "routine," has suddenly become the politicians' cure for this incurable disease. But testing is no more obvious than it is a cure. The underlying question, lost in all the clamor, is not whether to test but when, and why.

There are good reasons to test for AIDS. There are also some bad ones, and they cry out for open examination.

If there were an effective way to rid the body of the AIDS virus, widespread testing should begin immediately. Drugs for treatment of the overt disease are starting to become available, but no remedy for the virus exists. Then why test?

□ **Test immigrants and keep out those who test positive for the AIDS virus?** Yes. The Public Health Service proposes doing just that and with good reason. Every country has a right, even a duty, to bar entrants with communicable diseases.

□ **Test prisoners and segregate those who test positive?** Again yes, at least in principle, though wardens may find it more effective to isolate sexually violent prisoners.

□ **Test to follow the course of the AIDS virus?** Once again, yes, but recognize that this calls for random sampling among the population, not required testing of unrepresentative groups.

□ **Test to halt the spread of the virus?** Not on present evidence. There is an inevitable outcome to the logic of those who advocate dragnet testing of low-risk groups: quarantine. The idea is that society, facing a millennial plague, must be prepared to take unflinching measures. Once all carriers are identified, they will somehow have to be put in detention. That's a shocking idea but it's not foolish. Conceivably, it might one day be seen as brave. But it suffers from two drawbacks.

The testers fail to bring their unspoken agenda in the open. Detention camps across the country would be a shrieking departure from American tradition; and the more reason for the subject to be openly discussed — and compared with what public health professionals believe should be done instead.

Second, to screen everyone with the two AIDS tests, highly accurate as they are, would still result in thousands of "false positives" — people wrongly identified as having the virus — as well as false

negatives. That means the 1.5 million Americans estimated to carry the virus, as well as those wrongly identified, would have to be confined, for life. If that were the only way to protect public health, maybe even that should be thinkable. But it isn't. Indeed, at present, all the testers' premises are false.

The whole population is not now at high risk. For reasons not yet understood, AIDS in this country apparently remains largely confined to high-risk groups, mainly homosexuals, drug addicts and their sexual partners. There is indeed a real threat that the virus will spread into the wider population. But to fight it, public health professionals want to target the high-risk groups, most especially addicts and their partners.

The experts want to show those who have the virus how not to pass it on, and those who don't how to avoid it. To be effective, this counseling needs to be offered along with testing.

Counseling means persuasion. There can be no such thing as "mandatory counseling." That, like "routine testing," has an Orwellian ring. Worse, it would be ineffective since the drug addicts whom public health officials most need to reach are already beyond the law. Education and targeted counseling are almost certainly a better way to curb the spread of AIDS.

The Administration, awaking to AIDS now after five years asleep, only on Friday announced the first serious steps to implement the strategy of its own public health experts — a massive education program, projects to reach drug addicts and random testing to monitor the epidemic's spread.

Instead of rushing toward detention camp thinking, Washington needs to calm down and look again. AIDS may well spread further, but it is not yet a Black Death, running like wildfire through the population generally. The smart place to battle it is among the high-risk groups. Save the homosexuals and drug addicts who are not yet infected by persuading them to change their behavior. Comfort and counsel the infected.

Using voluntary testing, public health officials have an approach that is effective and humane. Mandatory testing, a hasty step toward detention camps, would be neither.

## Mr. Gandhi, on Four Fronts

India calls it "humanitarian aid" to beleaguered Tamils threatened with massacre. Sri Lanka vehemently denies atrocity charges and denounces India's air drop of supplies as "a naked violation of our independence." India's Rajiv Gandhi has become as much field marshal as Prime Minister, while armies mass on all the subcontinent's fault lines. It's past time for him to stop all the marching and to restart negotiations on four fronts.

Chinese and Indian troops are reportedly reviving a boundary dispute that in 1962 led to a war. Mr. Gandhi is staging nonstop military maneuvers on the India-Pakistan border, in anger over Islamabad's nuclear ambitions and its U.S.-aided arms buildup. And within India, the Punjab is again torn by violence between Sikhs and Hindus, while Hindus and Moslems step up violence against each other in the northern state of Uttar Pradesh.

Such internal violence is an old Indian problem; the frontier maneuvers are most probably shadow-boxing; and Mr. Gandhi's resort to big-stick diplomacy in Sri Lanka recalls Indira Gandhi's belligerence with smaller neighbors. Mr. Gandhi begins to look like his testing and authoritarian mother, but without her cunning.

It is in everyone's interest to stop the killing in Sri Lanka, resume negotiations and prevent two ethnic communities from embroiling the world in

their civil war. Dismaying, India has plunged into intervention before independent monitors established what happened in Sri Lanka sweeps against Tamil insurgents on the northern Jaffna Peninsula. There's more than a suspicion that Mr. Gandhi wanted the headlines, not the evidence, in first ordering a flotilla to carry aid to rebels, then mounting an airlift when Sri Lanka dared to block the relief boats.

Standing tall for two million Hindu Tamils against Sri Lanka's Buddhist Sinhalese, helps Mr. Gandhi at home — especially heading into Thursday's critical election in the northern state of Haryana. The ruling Congress Party has lost a string of local elections, and badly needs a victory.

Mr. Gandhi can truthfully say that he tried to mediate, and that twice Sri Lanka's President, J. R. Jayewardene, withdrew concessions under pressure from hard-liners. But this ignores atrocities committed by Tamil terrorists, New Delhi's inability to clamp down on their training camps and to prevent the arms flow across a narrow strait. And in December, Mr. Jayewardene came up with an autonomy compromise. Mr. Gandhi liked it, but Tamil militants rejected it furiously.

Mr. Gandhi did not light these fires but he is now fanning them. Where is the calm, good-humored and conciliatory Rajiv Gandhi who so impressed the world a year ago?

## The Worm and the Apple

### Commuter Sentences

#### Terminal Heat

New York's largest public steam bath is about to reopen for the season: the Long Island Rail Road terminal in Manhattan.

Railroad officials acknowledge that there is a heat problem and promise relief — by 1992, when air conditioning will be installed as part of a capital improvement program. The railroad's managers deserve a large, sweaty worm for their easy willingness to tolerate the intolerable.

Ventilation of Penn Station has been a problem since the mid-1960's, when the old station was replaced. With tracks completely covered and the station topped by an office building, heat from train air conditioners becomes trapped and concentrated in tunnels and waiting areas. This summer, some relief may follow the opening of the West Side storage yard, which will allow idle trains to wait outside the station. But "the place will still be unacceptably hot," says Daniel Caulfield, a vice president of the L.I.R.R.

Unacceptable indeed. Why not rearrange capital improvements to fast-track the installation of air conditioning and ductwork? Why not temporarily place exhaust fans with ducting to the street?

Railroad officials admit that they haven't given much thought to such possibilities. If their offices were moved onto the main terminal concourse for the summer, they might think harder.

#### Unwashed Buses

For years, Queens residents have complained of poor service on the borough's private bus lines, which operate with public subsidies. Yet the city has lagged in imposing performance standards. That's about to change.

Beginning in July, all private bus lines in Queens, Brooklyn and the Bronx will be subject to new rules governing maintenance, cleanliness and schedules. Operators who deliver poor service risk loss of subsidies and franchises. Mayor Koch's budget calls for 14 inspectors to carry out the program.

The effort is long overdue. Fully two years ago, the Board of Estimate voted minimum standards. But implementation stalled, largely because of opposition from Morris Tashis, the former city franchise chief. Mr. Tashis resigned in May following allegations that he accepted a Cadillac from the Queens-Steinway Bus Company, a line with a notorious performance record.

A recent spot check found only 8 percent of Queens-Steinway buses provided basic passenger information, like maps and bus routes. Only 39 percent were acceptably clean — small wonder, since the company washes interiors only once every three months, compared with once every 18 days on the better-run Triboro Coach line.

Henry White, who heads the Bureau of Transit Operations, deserves praise for developing new standards. An apple awaits his agency if the rules now get translated into better service.

## Letters

### There Is No Innate Human Propensity to Kill

To the Editor:

In his May 21 letter commenting on the article "My Brother Might Kill Me" (Op-Ed, May 6), Dr. Thomas Szasz writes that the behavior of Jane Doe's brother "epitomizes the human propensity to injure and kill — in a word, violence."

Such a statement perpetuates the myth of "the death instinct," long associated with psychoanalysis — which has been irreversibly discredited as the study of the id by the odd — and is a belief of quite ancient vintage. When I was a boy it went by the name of "innate depravity," which placed one particularly at risk on those interminable Sundays so oppressively full of intangible restraints, which somehow made it sinful to listen to secular music or take a walk in the park.

However, as a scientist who has made a lifelong study of the nature of human nature, and especially of the alleged innate aggressiveness of humankind, I find, as many of my colleagues have, that there exists no evidence whatever to support the notion of a "human propensity to injure and kill."

It is easy enough to attribute such aggressive behavior to "propensities," and, of course, it explains everything. But the truth is that it is a false view of the origins of human violence, and very damaging, leading to such absurdities as Professor Szasz's recommendation that what criminals need is punishment.

That precisely is what criminals do not need. What they need is understanding — understanding of the conditions that caused them to become criminals together with the correction of those conditions so that there may

be no more criminals. Building more jails for punishment is less than helpful; it is to ignore the problem.

What is needed is the building of a society that satisfies the basic behavior and physical needs of every child for growth development and fulfillment, epitomized in the need for love. But how many of us really understand the meaning of that word and its significance for the survival, no less, of our species? It is in the failure to answer that question that our problem lies.

ASHLEY MONTAGU  
Princeton, N.J., May 22, 1987  
The writer is author of "The Nature of Human Aggression."

### Two-Pronged Attack

To the Editor:

Professor Szasz's letter, in which he decries reliance on psychiatry rather than criminal sanctions, is philosophically interesting but not likely to lead to less violence. If reduction in violence is the goal, then the distinction that needs to be made is between prevention and correction. This is so whether we are referring to criminal versus insane violence or to psychotherapeutic versus penal treatments.

There is substantial evidence that violent behavior is related to both social conditions and early life experiences. Poverty, discrimination, poor education, substance abuse, broken families or parental neglect have all been found to be associated with subsequent violent adolescent and/or adult behavior.

It is reasonable to believe that reducing these conditions will also reduce violent behavior in the future,

perhaps in 10 to 20 years. However, large-scale social solutions will not solve the immediate problem of violent behavior among many of today's adolescents or young adults. Once violent or antisocial behavior becomes a part of the personality, it does not follow that eliminating antecedent social causes will change already internalized patterns of behavior.

Unfortunately, changing existing behavior is much more complicated because the effects of early experiences are not easily reversible.

To date, neither psychotherapeutic nor criminal sanctions — nor any other techniques — have been very successful in eliminating violent behavior among large numbers of perpetrators. There is no basis to suggest, as Professor Szasz does, that punishment has proven any more successful than psychiatric or other correctional approaches. We need to do our best to rehabilitate perpetrators of violence just as we need to offer medical care to the chronically ill. We also need to maintain humility about the efficacy of our techniques, be they psychiatric or correctional.

Being safe from violent attacks ought to be a crucial civil right in a civilized society. If we are concerned about protecting potential victims, we need both effective preventive measures and effective correctional programs. As long as we continue to perceive both approaches as identical, requiring the same assumptions or strategies, immediate and long-term solutions will continue to elude us.

What's good for prevention may not be good for rehabilitation of current offenders, and the way we seek to contain current instances of violence may have little future preventive value. We desperately need both good prevention and good rehabilitation.

MURRAY J. FRIEDMAN  
New York, May 24, 1987  
The writer is a psychologist.

### No More Insanity Pleas

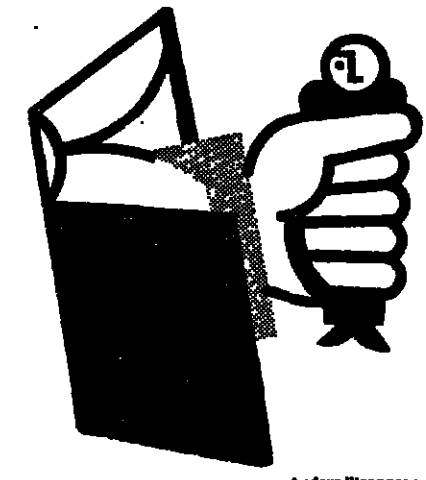
To the Editor:

Jane Doe's Op-Ed article portrays not a mentally ill person, in my judgment, but a criminal. My colleague Thomas Szasz makes this point. I would go even further, and point out that all the notorious defendants found "not guilty by reason of insanity" are criminals, despite manifestations or protestations of "mental illness."

Our society is living in terror — terror of crime in the streets, in one's own home, while traveling abroad. Much needs to be done, of course, in the way of appropriate preventive methods, treatment and rehabilitation. But the first order of business is to punish the perpetrators of violence. Any person who commits a crime should suffer the consequences according to the law.

Criminals should be treated as criminals. The insanity plea should be eliminated entirely, while we go about the business of changing the madness of our society.

MAX SEGEL  
Boca Raton, Fla., May 26, 1987  
The writer, professor emeritus at Brooklyn College, is former president of the American Psychological Association.



angry at a court, we also should look behind its official opinion to discern the societal failures that led to the judicial "creativity." That goes for both conservative and liberal judicial activism.

STEWART J. BELLUS  
Arlington, Va., May 26, 1987  
The writer is a former Florida assistant attorney general.

### Required AIDS Tests That Make Sense

To the Editor:

Proposals to make testing for acquired immune deficiency syndrome mandatory for people applying for a marriage license is most welcome, indeed.

Quite frankly, I would be reluctant to ask a man whom I loved and trusted enough to marry whether or not there was any possibility of his having been exposed to AIDS. Who wants to be put in the position of being a suspicious cross-examiner — particularly when the interrogated party more likely than not was not exposed? Required tests would remove this awkward responsibility from both potential partners. And if they proved negative, then a celebration would be in order.

Previous generations coped well enough with the Wasserman test (for syphilis). Why should this generation not be able to endure the test for AIDS?

MARY D. EDWARDS  
New York, May 24, 1987

### Savings Are Crucial to Our Economy's Health

To the Editor:

It seems that old Keynesians neither die nor fade away. In his May 27 letter, Prof. Paul Davidson attacks the validity of my conclusions, as quoted by Leonard Silk (May 20) that the United States has become dependent on a large inflow of foreign savings to prevent recession.

Savings do matter. In 1986, personal, corporate and state and local government savings equaled 6.8 percent of the gross national product. Unfortunately, the U.S. Treasury sopped up 4.8 percent of G.N.P., leaving a mere 2 percent to meet the needs of the private economy. Where does Professor Davidson think private savings would have come from to support domestic economic expansion in the absence of an inflow from abroad?

Let's assume with Professor Davidson that we had not run any balance-of-payments deficit and that exports had been \$142 billion higher. Davidson is right that G.N.P. would have been surging ahead. But the

need for private capital would have been higher still. Where would all the funds have come from to supply both the Treasury and the private sector?

Perhaps Professor Davidson would have had the Federal Reserve create the money. In that event, our surging economy would have been accompanied by surging inflation, and ultimately surging interest rates. It would not have taken long for recession to follow.

Perhaps this exchange of views serves a useful purpose. It underlines the importance of both saving and investment to a healthy economy. The thrust of my report is that Keynesians should not encourage Americans to consume beyond their national means indefinitely.

WILLIAM C. FREUND  
New York, May 27, 1987  
The writer is chief economist emeritus of the New York Stock Exchange and N.Y.S.E. Professor of Economics at Pace University's Graduate School of Business.

### A Woman in Foreign Service Who's a Hard Act to Follow

To the Editor:

Anthony Lewis writes about the Senate stoppage of the nomination of Melissa Wells as Ambassador to Mozambique (column, May 19). He asserts, in effect, that she is simply another of Senator Helms's numerous targets of opportunity in his effort to make this country's Foreign Service march in his ideological lockstep.

Ms. Wells is, however, not simply yet another U.S. diplomat unfortunate to draw the Senator's wrath. In 1966, I succeeded her as vice consul on the "lucid island of Trinidad, where she was both legend and hard act to follow. I subsequently followed her career.

When I joined the Foreign Service in 1961, there was a scattering of women in my class. In 1964, I had a soft posting to Montreal, where, to my naïve surprise, my fellow junior officers were predominantly female. I was told by a male colleague that it was hoped that the young female For-

ign Service officers would fall in love, marry and drop out. Even before this, I had warned female friends that for them the Foreign Service would prove a dead-end job. Trinidad, like Montreal, was a posting where, unlike Vietnam and much of the world, there was little hardship or endemic violence that would serve to promote your career.

I suspect that when both Ms. Wells and Senator Helms are out of government, her determination not to be permanently shunted aside by the Foreign Service will outline the foreign policy accomplishments of the Senator. More than any person, Melissa Wells opened up Foreign Service

postings in tension-ridden, hence promotion-prone areas. She was our Ambassador to the swampy Guinea-Bissau and an Ambassador at the United Nations, and she subsequently represented that organization saving lives in prostrate Uganda. Meanwhile, other Foreign Service women have taken increasingly important roles in representing America abroad. In great part, they have Ms. Wells to thank.

In contrast, one can read through the diplomatic lists of virtually all foreign capitals and, looking under "U.S.S.R.," find nary a woman.

RALPH E. HAMIL  
New York, May 19, 1987

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ON MY MIND | A. M. Rosenthal

## Sex, Money and the Press

This is an attempt to examine some questions about the press. For many years I was sure I had firm answers to them. But the questions are getting sharper and the answers murkier, which can be disconcerting.

The questions, put to me frequently these days by others and by myself, can be summed up this way: If the press is increasingly insistent on knowing more and more about the private lives of people in public life, does it not have the ethical obligation to tell more and more about itself?

To start easy: Should journalists make their finances public? Not just salaries, but private investments, inheritances and the specific source and amount of extra money from each lecture, television appearance and book. We want to know the last dollar's worth about officials. Many in the press influence public affairs more than most officials.

And how about financial information not only from top editors and executives but also from editorial writers, columnists, beat reporters and desk editors, who are often more important than their chiefs in day-to-day presentation of the news.

And is the reader entitled to know the political votes or inclinations of the correspondents who cover Congress or the White House? Did they ever give money to Nicaraguans, pro or contra?

Now, let's get to it. Correspondents and editors, have you ever committed adultery? Are you now? Homosexual experiences, any? Names, please.

And surely you will not mind, Publisher, if we readers pitch in a few dollars each to put a secret cordon around your house at night, since your reporters extend that attention to others.

These are not new questions. We in the press always have been confident of the answer to questions about our own politics, sex lives and money.

We are not officials; our mission in life is to divorce our stories and news judgments from bias, and the only thing that counts is what we put in the papers or broadcast. So how we vote or what we belong to or what we think off the job does not matter. About our personal lives, are you crazy? Who we are and what we do are not pertinent; just judge us on what we write and how we play the news.

Forty years of experience have affirmed rather than shaken my trust in the journalistic integrity of most

reporters. On good papers there are layers of editors to catch prejudice. And if we slip, there it is in print or on the air to show us up.

I know there are reporters and editors who slant the news; I have been the subject of articles for which the writer should surely hang. The scoundrels will certainly be brought to justice, in the next world if it cannot be arranged in this. But there are relatively few of them, so "trust us" still seems reasonable to say.

Problem is, although neither questions nor answers have changed much, journalism has, mostly for the better — mostly, it has become tougher-minded and deeper-digging, which usually is good. At the same time it has become rather meaner and less inclined to grant any areas of trust or privacy, which is not all that good.

So it seems less clear-cut to say that every public official must report the source of every bit of income while news people decline to say what political group or industry is paying them to lecture or who may be picking up a bill for a trip now and then.

And once there were areas of private life newsmen considered off limits. This was under a theory of journalism known as "look-we-are-all-human."

But now the love affairs, drinking habits and sexual preferences, as we say, not just of Presidential candidates but of all significant officials are news. Isn't it less logical for journalists to say their private life is their own business? Aren't they often even more influential than many officials whose private conduct is considered relevant to the public?

No, colleagues, it is not a First Amendment issue. We would all be opposed to any regulation or industry-wide code of conduct on such things. It is something much more difficult to put down than attacks on the First Amendment — that squeaky little voice inside that always asks you questions and now is not really quieted when the "trust us" answer is played back.

Journalists can keep ducking the issue, but not for long. One day soon editors, reporters and publishers will have to decide, paper by paper, if the familiar answers are good enough. Those who think not will face the choice of forgoing some stories about personal matters, or agreeing to make their own lives fully public. It is not a matter of law, but of ethic and that squeaky voice.



Anders Wenngren

By Herbert Stein

WASHINGTON Paul A. Volcker deserves all the honors a grateful nation can bestow upon him, mainly for his battle against inflation.

It does not belittle Mr. Volcker's achievements to say that they did not include a solution of the problems of inflation and monetary policy.

The country is left with no guidance for his successor except that he should be like Mr. Volcker. Presumably, this does not mean that he should be 6 feet 7 inches tall. It means that his policy should be like Mr. Volcker's. But what was Mr. Volcker's policy?

The Federal Reserve's policy throughout its history has been to look at all the nation's objectives, all facts and forecasts and make decisions that it would be prepared to change in a week or a month. Until he writes a book telling us something different, that was also Mr. Volcker's policy.

There are two problems with the Fed's institutional policy.

First, it leads to great uncertainty. Even in the financial markets, which had so much confidence in Mr. Volcker, there was always enormous uncertainty about what he would do next and what the consequences would be. Such uncertainty infects and injures the economy outside "the markets."

Second, and more important, this policy contains an inflationary bias. When the Federal Reserve considers anew each month relative priorities of employment, economic growth, the dollar's exchange rate, third world debt, the troubled banks and inflation, there is a strong tendency for the control of inflation to sink to the bottom of the list.

The effects of monetary policy on inflation tend to come later than the effects on employment and output. Short-run interests are overwhelmingly in favor of a policy of expansion, even at the risk of inflation — at least until the inflation is upon us in a devastating degree.

This bias is probably stronger in the public and the politicians than in the Federal Reserve, but for all the talk of independence the Fed cannot be indifferent to the opinions of the public and the politicians.

This bias in the Fed's "all-things-considered" policy was a main cause of the inflation of the 1970's. That Mr. Volcker, who was chairman for eight years, resisted it is a tribute to him. His resistance was fortified by his experience with the weak anti-inflationary policies of the 1970's while he was at the Treasury and the Federal Reserve Bank of New York.

But we must remember that he took office after a decade of rising inflation that had made the public and the politicians extraordinarily willing to accept the costs of an anti-inflationary policy.

Alan Greenspan, whom President Reagan has nominated as the new chairman, is probably as much "against" inflation as Mr. Volcker. Like Mr. Volcker, he has had experience with the difficulties of checking inflation once it has gathered steam. But he is to enter office in an environment quite different from the one that surrounded Mr. Volcker's entrance.

Six years have passed since America last suffered double-digit inflation. The public no longer thinks of inflation as its No. 1 problem. The chairman will soon be working with a President who will not be elected on a promise to make control of inflation a top priority.

Sometime in his term, Mr. Greenspan will almost certainly encounter a recession accompanied by rising

Herbert Stein, a senior fellow at the American Enterprise Institute for Public Policy Research, was chairman of President Richard M. Nixon's Council of Economic Advisors.

By Daniel Patrick Moynihan

WASHINGTON When President Reagan addressed the American Newspaper Publishers Association on Ellis Island last month, he said he was invoking Lenin by saying, "The road to America leads through Mexico."

Actually, it wasn't Lenin the President had paraphrased but his associate Leon Trotsky, who in 1919 said, "The road to Paris and London lies via the towns of Afghanistan, the Punjab and Bengal." Trotsky proposed the establishment of a Revolutionary Academy in Turkestan and the raising of a great force of cavalry to invade India.

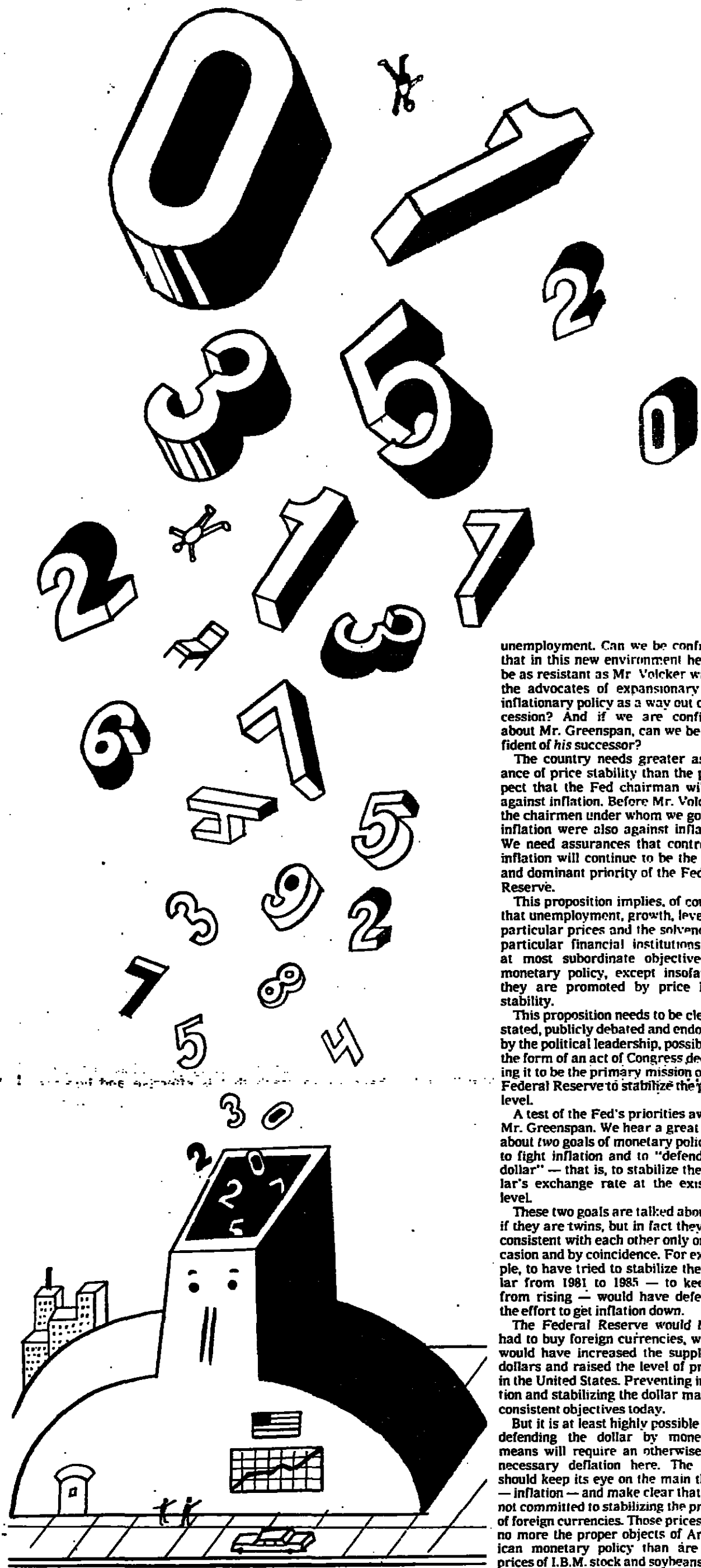
The point is that the Soviet Union, geographically, is overwhelmingly Asian and, having long since reached the Pacific, has for a century been pushing south toward the Indian Ocean and the Arabian Sea.

From this perspective, the significance of the secret sale of arms to Iran begins to sink in. This faithless, doomed conspiracy has reached far beyond mere disgrace. It has threatened the balance of world power.

In short, Soviet warships, at Arab

Daniel Patrick Moynihan, Democrat of New York, is a member of the Senate Foreign Relations Committee.

## Beyond Volcker, Beyond Greenspan



unemployment. Can we be confident that in this new environment he will be as resistant as Mr. Volcker was to the advocates of expansionary and inflationary policy as a way out of recession? And if we are confident about Mr. Greenspan, can we be confident of his successor?

The country needs greater assurance of price stability than the prospect that the Fed chairman will be against inflation. Before Mr. Volcker, the chairmen under whom we got the inflation were also against inflation. We need assurances that control of inflation will continue to be the first and dominant priority of the Federal Reserve.

This proposition implies, of course, that unemployment, growth, levels of particular prices and the solvency of particular financial institutions are at most subordinate objectives of monetary policy, except insofar as they are promoted by price level stability.

This proposition needs to be clearly stated, publicly debated and endorsed by the political leadership, possibly in the form of an act of Congress declaring it to be the primary mission of the Federal Reserve to stabilize the price level.

A test of the Fed's priorities awaits Mr. Greenspan. We hear a great deal about two goals of monetary policy — to fight inflation and to "defend the dollar" — that is, to stabilize the dollar's exchange rate at the existing level.

These two goals are talked about as if they are twins, but in fact they are consistent with each other only on occasion and by coincidence. For example, to have tried to stabilize the dollar from 1981 to 1985 — to keep it from rising — would have defeated the effort to get inflation down.

The Federal Reserve would have had to buy foreign currencies, which would have increased the supply of dollars and raised the level of prices in the United States. Preventing inflation and stabilizing the dollar may be consistent objectives today.

But it is at least highly possible that defending the dollar by monetary means will require an otherwise unnecessary deflation here. The Fed should keep its eye on the main thing — inflation — and make clear that it is not committed to stabilizing the prices of foreign currencies. Those prices are no more the proper objects of American monetary policy than are the prices of I.B.M. stock and soybeans.

WASHINGTON | James Reston

## The Lessons of History

CAMBRIDGE, England The noisy world of politics seems very far away from this tranquil university town, but in its spires and dusty bookshops one finds a different way of looking at our present problems.

For many years, Sir Herbert Butterfield was Cambridge's most distinguished philosopher of history. He died in 1979, but his writings still seem relevant and a lot more hopeful than this morning's headlines.

First he warned against the illusion of total security for any nation. It was impossible, he noted, for Germany to acquire the degree of security it thought it ought to have without itself becoming a menace to its neighbors.

"This universe was always unsafe," he wrote in "International Conflict in the Twentieth Century." "And those who demand a watertight security are always a danger in any period of history. I wonder if it could not be formulated as a law that no state can ever achieve the security it desires without so tipping the balance that it becomes a menace to its neighbors?"

Second, he thought it was a danger to push an adversary or an enemy too far.

Because we thought that there never could be an aggressor so wicked as Germany under the Kaiser, he noted, we determined to fight the First World War to the point of total surrender, and thereby conjured into existence two menaces still more formidable — the Communists on the one hand and the Nazis on the other.

Sir Herbert was no priggish moralizer. He believed in a balance of military power that would discourage aggressors, but he didn't believe in pushing things too far.

"We must not imagine," he observed, "that all is well if our armaments make the enemy afraid, for it is possible, at least in the 20th century, that it is fear more than anything else which is the cause of war."

Butterfield worried about political leaders who never knew the accidents and lessons of history or seldom veered from their politics and propaganda to reflect on them.

covered that the most terrible of these has been omitted from our calculations or only imperfectly seen.

"One example of the fact is the loss of liberty in various countries in Eastern Europe and the Balkans — the very regions whose freedom was the primary issue for which we were supposed to have undertaken two world wars."

Butterfield did not fear, indeed he welcomed the competition between Eastern Communism and Western democracy in the underdeveloped world. He reminds us in America that we gained our own independence through revolution and war.

A new kind of warfare, he observed, is tormenting the submerged peoples of the world, most of them living on the borders of starvation.

"We have to ask ourselves whether there is anything that Russia has to offer to the less developed or uncommitted regions of the world that we ourselves are not prepared to offer them... I think it is open to us to secure victory for our ideals, but I am not clear that we shall be able to hold on to our vested interests, whatever policy we adopt."

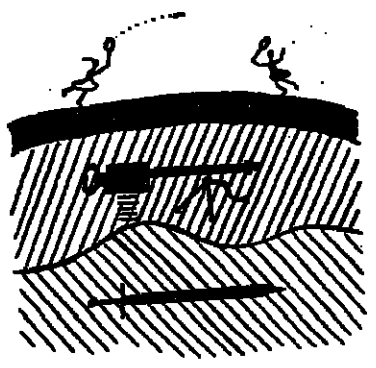
Yet when Butterfield was drifting into the shadows after his long journey, he was optimistic.

Yes, there was a religious war between the East and the West, he conceded, but the Wars of Religion in 16th-century France had gone on for years and were finally composed if not resolved by the spirit of toleration.

"I think," he said, "that in this modern world... all systems are going to move in the direction of liberty, if only somebody will open a window so that the world can breathe a more relaxed air and we can end the domination of fear..."

"There is aggression; there is tyranny; there is revolutionary ferment; but if we wish to civilize international affairs, we must do more than arrogantly hold our own against the barbarians. We wait, perhaps, for some Abraham Lincoln who will relieve the pressure and begin the task of creating confidence."

I came out of the bookstore into sunshine, of all things, and walked over to hear the King's College choir. "Come back later," a sour old warden said. But I felt a little better about the world anyway.



Morris Bishop

## Duplicity in the Persian Gulf

invitation, are now on station in the Persian Gulf. If they stay, the West risks losing control of two-thirds of the world's oil reserves. The great geopolitical prize of the 20th century is now in their grasp. We did that.

More precisely, the Kuwaitis did. They turned to the Russians for protection of tankers threatened by the Iraq-Iran hostilities. Kuwait officials journeyed to Moscow. A secret agree-

ment was reached far more extensive than at first revealed — far more ominous than we have yet realized.

On May 29, in a hearing of the Senate Foreign Relations Committee, I asked Richard W. Murphy, Assistant Secretary of State for Near Eastern and South Asian Affairs, what on earth could have possessed the Kuwaitis — the natural prey of the Soviet Union — to seek its protection.

He answered: "Well, the moment of that decision was not coincidental. It was November 1986."

I asked, "It was not coincidental that the Kuwaitis asked the Soviets in as it came to be known throughout the world that we had been shipping arms to Iran?" He replied: "It's got to have been a factor."

Whereupon Congress may have received the first truthful response from an Administration official since the conspiracy was blown. And a true measure of the calamity. Sunni Arabs, having learned that the United States was arming Shiite Persians, decided to reward our duplicity in kind.

We had a hard enough time getting the Russians out of Iran after World War II, and since 1949 have had naval

forces stationed in the Gulf to keep them out. That period is now past. Further, to recall Trotsky, the Russians have seized most of the villages and all the cities of Afghanistan. (Herat, within fighter-bomber range of the Gulf, figures considerably in the correspondence of Queen Victoria, when the Russians were

probing Baluchistan a century ago.) With the Punjab in some disarray and West Bengal under a Communist government, the Russians have now taken up station in the Gulf athwart the shipping lanes on which the economies of Japan and Western Europe depend utterly.

Soviet protection has its price, however. The Kuwaitis, who head the Organization of the Islamic Conference,

have now begun to pressure Pakistan to ease its insistence that Moscow withdraw its armored cavalry and other forces from the Khyber Pass and parts west. Is yet another American policy now at risk? Is the whole region at risk?

Well, we asked for it. No, wait. We didn't. The American people didn't. A handful of conspirators did. It is still possible to make this point, even to nations in which conspiracy is not all that uncommon. All the more reason, then, that Congress should be seen to support the policy of every American President back to Harry S. Truman. We have no choice. The Persian Gulf is vital to American interests. It is not vital to Soviet interests. We cannot accept their intrusion.

The more also we should use this moment of danger not merely to assess damage but to ask questions of character and ask whether we like what we seem to have become.

In that most beautiful of his poems "By Blue Ontario's Shore," Walt Whitman saw clearly the cycles of history. "Any period one nation must lead. One land must be the promise and reliance of the future." This came to us. We have no reason to let it slip away into the hands of a despicable totalitarianism simply because we are unwilling to face up to our own behavior.

"Who are you," Whitman continued, "that wanted only to be told what you knew before?" Who indeed? We shall be finding out.



Anders Wenngren



# The Lessons of the Marshall Plan

It remains a model  
40 years later.  
But repeating its  
success outside Europe  
has proved elusive.

By ANN HUGHEY

NOT long after World War II, Charles Kindleberger overheard two Government drivers chatting in a State Department washroom. "I was up all night working on the Marshall Plan," one driver proudly told the other. To Mr. Kindleberger, an economist who was himself working on the Marshall Plan, the driver's comment illustrated "a national resolve" to help rebuild shattered European economies.

That kind of national resolve is hard to come by these days. At a time when the world's economic problems loom larger than ever — the third world's huge debt among them — debates still simmer over economic development aid. Can it be made more effective? Should aid be given at all? What does it take to create a thriving economy?

It was in June 1947 that Secretary of State George C. Marshall, in a commencement address at Harvard, called for a European aid program to combat "hunger, poverty, desperation and chaos."

On this 40th anniversary of the Marshall Plan, Mr. Kindleberger is only one of many who look with nostalgia not only at the unity that was such an important element of making the European Recovery Program work, but also at the success of the plan itself. After all, in addition to rebuilding Europe and providing a market for American goods, the program effectively started the whole economic development movement.

But for all the billions of dollars in aid that have been spent since then — and all the technological advances — the third world's problems seem no closer to resolution. As Western leaders begin their summit meeting tomorrow in Venice, those problems weigh heavily on them.

Scores of countries have remained in poverty, despite vigorous efforts to build business and economic enterprise and the infrastructure — the roads, the telephone lines, the educated workers — needed to support it. Moreover, perplexing questions have been raised about how wisely the billions in aid have been spent.

The desperate economic plight of much of Africa, after the failure of decades of assistance, is one cause of this soul-searching. In South America, environmentalists decry the ongoing destruction of the Amazon jungle in the name of development. Social conservatives have attacked birth control programs, considered critical to economic progress.

Some critics charge that aid actually hinders economic development by creating big government and stifling market economies. Others claim that most aid is either wasted or pocketed by corrupt officials. Still others fear aid will help the recipients compete with American business.

Just last week, some of the nation's biggest farm organizations urged Washington to withdraw support from the World Bank and other international lending bodies, contending that development aid is hurting American farmers.

"America has no consensus about what its involvement in the developing world should be," said John W. Sewell, president of the Overseas Development Council, a private Washington-based group.

Ironically, today's lack of consensus may in part be traceable to the Marshall Plan's stunning success. Between 1948 and 1952, the United States poured more than \$13 billion into the European economies, sparking a speedy and strong revival.

The success generated a Marshall Plan mentality. Forty years later, someone is sure to call for a "Marshall Plan" to solve every new international economic crisis. Most recently a Japanese pledge of \$20 billion to help ease the third world debt crisis has been dubbed "Japan's Marshall Plan." Likewise the 1984 Kissinger Commission report on Central America calling for \$8 billion in economic aid to the region was compared to the Marshall Plan.

The Kissinger report closely echoed a top Marshall Plan priority in proposing economic aid to help combat Communist expansion. The Marshall Plan was seen as heading off a Communist takeover of Europe. That firmly established in American foreign policy the idea that economic aid was an effective political weapon in East-West relations. Or as Secretary of State George P. Shultz put it at a recent reunion of Marshall Plan veterans, among the lessons of the plan is the demonstrated linkage of economic prosperity and political stability.

The plan also buttressed the idea that foreign aid could help create markets for American business.

But aid experts say the plan also raised unrealistic expectations. The plan "created a false impression that we could solve any problem by throwing money at it," said former Senate Foreign Relations Committee chairman J. William Fulbright. Edwin M. Martin, who worked on the plan and was a founder of the Alliance for Progress, the Kennedy Administration's Latin American aid program, recalled that "People said, 'Well, you did it in five years in Europe. Why can't you do it in Latin America?' The public and the Congress were disappointed that we couldn't repeat it."

It was unspeakable because Marshall Plan money rebuilt something that had already existed. "Rotterdam was rebuilt in Rotterdam, not elsewhere," said Mr. Kindleberger. "There was already a layout of streets and water mains."

Europe also had skilled workers and managers like Pieter Lieftinck, an economist who became the finance minister of the Netherlands three weeks after he got out of a German concentration camp. The Europeans were experienced in banking and finance, in setting up commercial institutions. "Europe had all the fundamental human capital and a tradition of an organized economy," said Milton Katz, who headed the Marshall Plan in Europe.

In contrast, the Latin American countries embarked on independence with a half dozen university graduates and no administrative tradition," said Robert Cassen, a British development expert. Added Mr. Lieftinck, later a board member of the World Bank and the International Monetary Fund, "They didn't know what their priorities should be or what kinds of projects they should do."

While the only thing Europe basically needed was capital, each development plan for the third world had to be tailor-made to a different culture, set of traditions, stage of economic growth, natural

Ann Hughey writes on business and economics from Washington.



British and American aid officials watching as a cargo of Marshall Plan sugar is unloaded from the S.S. Araby in England in February 1949.

resources, climate and soil conditions. "Sometimes people are very quick to look for formulas, and development is a trial-and-error process," said Barbara B. Crane, a development expert at the Harvard Center for International Affairs.

Trial and error have shown that development should not be left to economists alone. Culture, custom and psychology have been the downfall of many a development plan. Despite high birth rates and recurrent famine, many Africans for years resisted birth control programs, dismissing them as a racist ploy. In East Africa, Mr. Cassen recalled, new strains of livestock flourished but destroyed land by overgrazing because the herdsmen had no system for controlling common property.

**P**OLITICS can also frustrate development. In many African countries food prices have been kept artificially low to satisfy politically potent city dwellers. Farmers, unable to make a profit, don't bother to plant. Aid-related policy changes like land or tax reform threaten the established order. "Development can look very unsettling to an entrenched traditional oligarchy," said Lincoln Gordon, a Marshall Plan administrator and later Ambassador to Brazil.

Aid can go wrong, too, because "the donor is less interested in development than in the sale of equipment or in the political gains from supporting a regime," says a comprehensive study, led by Mr. Cassen, entitled "Does Aid Work?" Geopolitical priorities in countries like the Philippines, Egypt or Israel make it harder for the United States to hold a country accountable for the use of development aid, said Mrs. Crane. Protectionism creates the problem described by Mrs. Crane as "our trade policies not supporting our aid policies."

Mr. Cassen's study faults aid agencies for not discussing their failures more openly, for repeating their mistakes and for providing incentives "simply to get loans made." As an example of the damage that failure to coordinate aid can do, Mr. Cassen cited the 18 types of water pumps used in developing the water supply in rural Kenya, all requiring different spare parts and training.

On the whole, however, Mr. Cassen estimated that between two-thirds and three-quarters of all aid is "reasonably successful." The failure rate is "not any worse than in the private sector," he said. "Private investment fails, too."

Adding to the confusion are development fads. For many years development economists pushed for overall economic growth in the belief that everyone would then benefit. But when it became clear that the poor were still getting poorer, the development community emphasized poverty programs, "forgetting that if you didn't get growth, too, what you got wasn't worth a lot," said John Lewis, a Princeton University development expert.

Not too long ago it was the consensus of the development community that the more advanced developing countries could and should borrow more commercial capital. That consensus was quickly wrecked by the third world debt crisis.

More recently, encouragement of the private sector in third world economies has been popular. This is partly a reaction to the inefficiencies and failures of government-run enterprises, especially in Africa and Latin America, and the huge success of more market-oriented economies like those in South Korea and Taiwan.

But, cautioned Mr. Cassen, "private sector fanatics forget that the private sector can't function without a basic infrastructure" provided by governments. He added that the South Korea and Taiwan economies, despite their free-market reputations, are products of "extremely successful collaboration between the state and private sector."

The Marshall Plan itself was not immune to problems. There was a provision that half the United States food and equipment destined for Europe had to be carried in American ships. That, said Mr. Kindleberger, was a direct blow to European maritime powers like Norway. Then there was the fuss over, quite literally, chicken feed. Mr. Kindleberger said it ended with Europe getting much-needed flour, but American millers kept

both the work of milling the grain and its salable byproduct, chicken feed.

The Marshall Plan can also serve as a cautionary example of economic forecasting gone wrong. Mr. Gordon remembers preparing "huge brown books" containing forecasts of the balance of payments for each country. "They were totally wrong," he said. In particular, West Germany surprised forecasters with a balance of payments surplus in 1951, contrary to all expectations. Even more surprising, the Marshall Plan itself came in at an estimated 10 to 20 percent under budget, said Hollis Chenery, a development economist and another Marshall Plan veteran.

Some Marshall Plan opponents sounded not unlike present-day aid critics. There were those who argued for letting market forces alone do the job. Some said that "by belt-tightening, the Europeans could prime their own pumps," remembers Richard Bissell, a Marshall Plan official. Others argued for balancing the United States budget first. Later, there were left-wing critics who complained that the plan was really only a capitalist plot to protect American interests and frustrate socialism.

One of the most successful aspects of the Marshall Plan was its decision-making apparatus for allocating aid. "The whole thrust of U.S. policy was to insist that Europeans collectively make their own decisions," said Mr. Bissell. Paul Streeten, a Boston University development expert, said that having the Europeans monitor each other's economic performance was a good way for the United States to avoid offending national pride and make sure the money was properly spent.

The Alliance for Progress in the early 1960's attempted to follow this model. But the approach failed, said the Marshall Plan's Mr. Katz, partly because Latin American countries were more interested in dealing with the United States or Europe than with each other. Latin America also lacked a sense of emergency. In postwar Europe, "the totality of the devastation was shattering," said Mr. Katz, later vice president of the Ford Foundation and chairman of the Carnegie Endowment for International Peace. "There was a recognition that circumstances made it impossible to function at all unless they pulled together." Mr. Katz added that he is "not sure you could do in Europe today what you could do then."

"The Marshall Plan made development look an awful lot more easy than it's turned out to be," said Princeton's Mr. Lewis.

**T**ODAY, protectionism may be the worst threat to third world growth. American sugar quotas alone were a major blow to hoped-for gains from the Reagan Administration's Caribbean Basin Initiative to stimulate the region's economy. Other problems are depressed commodity prices and modest growth in the West.

But so far, the third world debt problem has yet to explode into a global crisis. Debtors and creditors have been muddling through. The growth rate for the major debtor countries has improved, said James Conrow, a Deputy Assistant Treasury Secretary, and most "are doing very well," with notable exceptions like Brazil and Peru.

There are other hopeful signs. Japan, with its huge trade surplus, last year became the second biggest shareholder in the World Bank. Its contribution to the bank's International Development Association is close to the amount the Reagan Administration is seeking from Congress. The details of the \$20 billion so-called Japanese Marshall Plan are not yet clear. Skeptical American officials say much of the money was already committed, but Japanese aid is generally seen as having grown significantly in recent years.

Economic reform seems to be catching on in parts of the third world. Only a few years ago African governments attributed their troubles almost exclusively to the outside world, from low commodity prices to inadequate aid. "Today there is a widespread recognition that domestic policies are equally involved," said Ernest Stern, senior vice president of the World Bank.

African countries have begun the painful process of eliminating subsidies and government market controls and of selling or shutting down inefficient state-owned companies. Other countries, too, are adjusting their policies. For example, said the Treasury Department's Mr. Conrow, Bolivia, "which looked like a basket case two years ago, is putting in a credible program." Inflation there has fallen from 1,000 percent to less than 15 percent.

# The Economy

## WEEK IN BUSINESS

The Fed will have a new chairman after eight years of Paul A. Volcker. His decision to step down unnerved markets temporarily, but the financial community soon began to seem comfortable with the designated successor, Alan Greenspan. Even though he is an admirer of the libertarian philosophy of Ayn Rand and in the past has spoken favorably of the gold standard, Mr. Greenspan is considered a pragmatist who gives doctrine a very low priority. He is widely expected to continue the anti-inflationary emphasis of Mr. Volcker.

Still, there was speculation that Mr. Greenspan, a Republican, might be more attuned to the political wishes of the Administration and might favor a more relaxed monetary policy as an election year approaches. That theory would fit with reports that the White House, fearing Mr. Volcker would not be so cooperative, made little attempt to persuade him to stay. Of course there was a counter-theory: that Mr. Greenspan would feel a need to show independence and would for a while be rather tight with money. In any case, the Volcker era ends in August.

The Rev. Leon Sullivan called for American businesses to end all ties with South Africa in nine months. The civil rights leader said he could no longer support his Sullivan Principles, a code of conduct that backed American companies' presence in South Africa as long as their black workers were given equal rights. The code was adopted by 127 corporations, but Mr. Sullivan said it had failed to bring about substantial changes in apartheid. The Reagan Administration said it would urge American businesses to remain in South Africa and work for change. Several business leaders said that they would continue to operate under the Sullivan Principles.

Two giants of chic are merging. Moët-Hennessy, a maker of champagne and cognac since 1743, is combining with Louis Vuitton, which has been keeping the leisure class in luggage since 1854. The merged company will be the sixth-largest on the Paris Stock Exchange. Its brand names will include Dom Perignon champagne and fragrances by Christian Dior and Givenchy.

The unemployment rate held steady in May at 6.2 percent, its lowest level of the decade.

The economy managed to accommodate most of the seasonal surge of job seekers last month — one of the 658,000 people who entered the labor force, 612,000 of them found jobs, mostly in the service sector. Other numbers in the news included April new-home sales, up 7.6 percent. That jump was attributed to home shoppers worried about further rises in mortgage rates. Those worries were well founded — the Government reported that a 30-year fixed-rate mortgage carried an average rate of 10.52 percent in May, up from 9.7 percent in April. There was one number that went down. Auto sales in late May fell 1.9 percent.

Kidder Peabody agreed to settle insider trading charges for \$25.3 million. The fine was a record for a securities firm and marked the first time a major Wall Street house has been caught in the crackdown that has snared several individuals. Martin A. Siegal, a former Kidder executive, pleaded guilty in February. His



Paul Volcker

activities and a purported scheme involving Kidder and Ivan F. Fomberg were the basis of the Government's charges against the firm. In return for the civil charges, Kidder neither admitted nor denied guilt. Kidder accomplished what officials of the firm had said was the primary goal: avoiding criminal prosecution. Under the terms of the settlement, several individuals at Kidder will face criminal charges. Documents made public in the settlement process also indicated that Goldman Sachs is being investigated. Goldman has denied wrongdoing under law.

Bonds had a severe reaction to the Volcker announcement, with the long Treasury issue falling 3 points. The steepest one-day drop in many years. The dollar also took a dive. By the end of the week, stock traders were less disturbed by the Fed changes — the day after the announcement the Dow gained 42 points, reaching its highest level in a month. For the week, the Dow rose 34.58 points, to close at 2,526.15.

The No. 1 and No. 2 companies in computer software worked out a \$779.5 million merger deal. By acquiring Uccell Corporation, Computer Associates will consolidate its leading position in the fragmented industry.

R.J. Reynolds had a difficult week. Hopes for greater sales of American cigarettes in Japan were dealt a blow when it was disclosed that 16,000 cases of Winston Lights that Reynolds had shipped there contained high levels of a herbicide. And declining cigarette consumption in the United States led the company to announce that it would trim 2,800 positions from its work force of 16,200.

Crazy Eddie is being pursued by a 32-year-old Texan. Elias Zinn, who founded the Entertainment Marketing chain of electronics distributors, made a \$240 million bid. That tops a \$187 million joint offer from Crazy Eddie's founder, Eddie Antar, and the Belzberg family.

## IN QUOTES

"Paul Volcker was the world's greatest financial crisis manager. Greenspan is going to be a rookie at that, so there has to be some uncertainty about how adroit he will be when the next crisis comes."

Richard B. Hoey,  
Chief economist,  
Drexel Burnham Lambert

The New York Stock Exchange					
MOST ACTIVE STOCKS WEEK ENDED JUNE 5, 1987 (Consolidated)					
Company	Sales	Last	Net Chg	Standard & Poor's	
Har J	10,091,400	10 1/4	+	400 Indust	342.6 333.0 340.5 +3.69
Gilete	9,717,900	33 3/4	+ 3/4	20 Transp	240.7 232.3 239.7 +7.73
Allegra	8,803,000	89 1/2	+ 3/4	40 Util	110.6 107.7 110.2 +1.38
Harc B J	8,436,500	57 1/2	+ 2 1/2	40 Financial	28.5 27.7 28.3 +0.44
Gen El	7,212,000	53	+ 1	500 Stocks	295.1 288.9 293.4 +3.35
Waste	7,075,200	40 1/2	- 7/8		
IBM	6,981,700	160	...		
AT&T	6,926,900	25 1/2	- 1/8		
Mid S U	6,415,200	11 1/4	+ 7/8		
Fort Wh	5,940,600	20	+ 1/2		
Echlin	5,843,200	15 1/2	- 1/4		
Dyn H	5,819,300	50	+ 3/4		
Texaco	5,416,500	38	+ 1/4		
Chrya	5,322,100	37	+ 3		
Hewl Pk	5,164,000	62 1/2	- 2 1/2		

The American Stock Exchange					
MOST ACTIVE STOCKS WEEK ENDED JUNE 5, 1987 (Consolidated)					
Company	Sales	Last	Net Chg		
Wicks	10,932,700	4 1/4	+ 4		
TexAir	3,725,600	35 1/4	- 4		
Wong B	2,110,800	16 1/4	- 7/8		
EchoS	1,603,800	38 1/2	+ 2 1/2		
LorTel	1,275,800	16 1/4	+ 1/4		
Atari	941,100	30 1/2	- 1/4		
Fruit	890,300	7	- 3/4		
HmeSh	886,700	14 1/4	+ 1 1/4		
BAT	876,400	9 1/2	+ 5-16		
Delmed	804,600	13-16	...		

MARKET DIARY					
	Last	Week	Prev. Week		
Advances	1,170	1,438			
Declines	738	522			
Total Issues	2,172	2,170			
New Highs	102	80			
New Lows	82	85			

VOLUME					
(4 P.M. New York Close)	Last	Week	Year To Date		
Total Sales	735,877,930	19,576,069,828			
Same Per. 1986	574,181,870	15,487,867,040			

WEEK'S MARKET AVERAGES					
	High	Low	Last	Change	
New York Stock Exchange					
Indust	202.7	198.4	201.7	+2.46	
Transp	146.6	142.8	146.0	+1.87	
Util	72.8	71.4	72.7	+0.82	
Finance	148.1	145.7	147.9	+1.90	
Composite	166.1	162.3	165.4	+2.01	

MARKET DIARY					
	Last	Week	Prev. Week		
Advances	408	475			
Declines	378	316			
Unchanged	174	154			
Total Issues	960	946			
New Highs	46	40			
New Lows	40	34			

VOLUME					
(4 P.M. New York Close)	Last	Week	Year To Date		
Total Sales	57,810,106	1,532,813,005			
Same Per. 1986	58,267,555	1,336,568,980			



THE Shas-Likud agreement, promising monopoly control of Judaism to the Orthodox and allowing them to blackball the other two major religious communities (the Reform Jews and the Conservatives) is a disgrace to the country, according to elder statesman Moshe Kol. Retired from politics, he is one of the few surviving signatories of Israel's Declaration of Independence.

He focuses his criticism on the Liberal Party, because they are supposed to speak for the cause which Kol, veteran devotee of liberalism, adheres to. "In giving support to the above agreement, the Liberals have reached rock-bottom in their betrayal of the principles they claim to represent," he says.

"They are so destroyed in the eyes of the public, they cannot segregate themselves from Herut anymore. If they went to elections alone they would disappear from the political map."

All this need not have happened, Kol maintains. A historic error was committed over 25 years ago that brought the Liberals to perdition. Responsible, he says, was the Labour movement which closed the door in their faces. That decision made it possible for Menachem Begin to organize his right-wing takeover of Israeli politics in the electoral cataclysm of 1977.

The turning point was in 1961. Kol's Progressive Party had achieved a merger with the General Zionists, to form the United Liberal Party. "We possessed six Knesset seats and they had eight, but each side was granted an equal voice in the new front. The Progressives made one stipulation, however, that the General Zionists should not at any time negotiate a coalition with Herut or anyone else without our consent."

"We also roped Hans Klinghof-

## The lost Liberals

As the Independent Liberals meet for their annual conference this week, elder statesman Moshe Kol launches a stinging attack on current Liberal policy. The Post's David Krivine interviewed him.

fer's Third Force into our alliance. In the August elections we gained 17 seats."

"WHY DID you go with the General Zionists, who were after all conservatives rather than liberals?"

"We had felt our weakness in the face of Mapai during the Lavon affair, when a crisis developed between Ben-Gurion and Pinhas Rosen of the Progressives, then minister of justice. We wanted to strengthen the centre in order to achieve a better balance of forces on the political scene."

"After the elections Levi Eshkol, who was setting up a government on prime minister Ben-Gurion's behalf, offered the new United Liberal Party a place in a Mapai-led coalition. We reached agreement, both sides were satisfied and all that was needed was the formal approval of our own party councils."

"Late that night, Giora Josephthal phoned me. 'Don't call your party council,' he said, 'we have had a change of heart.' At the time, Abdu Avoda was planning a return to Mapai. Israel Galili and Yitzhak Ben-Aharon made it clear that it was either them or us, it could not be both."

"Ben-Gurion himself did not trust the General Zionists, Shimon Peres told me that at the time. According to B-G, the General Zionists were using both the Progressives and Mapai as stepping-stones to power. He predicted that if they did not get into the cabinet they would renew their negotiations with Begin."

"I said to Peres, 'If they do that, there will be a split, we shan't go with them.' Rejected by the Labour factions, the United Liberals stayed in opposition, and sure enough the General Zionists started negotiating with Herut. B-G was president, they behaved as he said they would."

"I warned them that if the proposed partnership went through they would be swallowed up and nobody would remember they existed. It didn't help. Wanting a more moderate image Begin welcomed them into his camp. Our joint faction split in 1965. We created the Independent Liberal Party; they formed a new list jointly with Herut called Gahal."

"How did the General Zionists justify breaking their agreement with you?"

"Rimlat wanted an alternative government to Labour. He thought it good for democracy to have a periodic switch of power between the bloc of the right and the bloc of the left. In order to create the requisite parity between the two sides he found it necessary to strengthen the right wing."

"Our approach was different. The religious occupied the centre, holding the balance. We hoped to replace them. We wanted to make the marginal pressure on the coalition government liberal instead of clerical."

Kol attaches importance to the battle against theocracy. "The state must not be locked in the hands of the religious politicians, some of whom are not even Zionist. The rule of the Orthodox damages immigration. Not only Reform and Conservative Jews are reluctant to come - Soviet families, who include many with mixed marriages, are scared of religious discrimination."

"What is left of liberalism now?"

"We must build up a new movement based on the Independent Liberals, Shmueli and Yitzhak Ben-Aharon's group. This will be the main subject of the ILP's annual conference, due to take place in Netanya on Wednesday."

Concerning the occupied territories:

I told Begin when we served together in the Eshkol government:



"With your annexationist policy you'll wake up one day to find us Jews a minority in our own country." He answered: "Don't be afraid, I'll bring the American Jews here and we'll be a majority."

Begin and I were friends. He was born in Brisk where he headed Beitar, I was born in Pinsk nearby where I headed Ha'Noar Ha'Tsiuni. I said to him: 'Menachem, the Americans are not in your pocket, but the Arab birdbrats are a fact.'

"Looking back, what have we got out of the Six Day War? There was a spurt of immigration after hostilities ceased, but now it comes to nothing. Our economic dependence on the U.S. has increased, not decreased. Religious autocracy has gotten worse."

"We are still in military occupation of the Arab-inhabited territories and that is bad, damaging our moral fibre. After the Six Day War I was a member of the cabinet Defence Committee. I moved that we offer the defeated King Hussein a condominium with him over the territories we had taken over."

"Dayan, then defence minister, opposed my suggestion; he saw himself as prince of the zones under military rule. Prime minister Eshkol said: 'Perhaps the time is not ripe yet.'"

## TENNIS

### Lendl wins chewing-gum contest

Post Sports Staff and Agencies  
Ivan Lendl won a gruelling final in the French tennis championships at Roland Garros, overcoming Mats Wilander 7-5, 6-2, 3-6, 7-6 in a gruelling five-hour match, that was remarkable more for the players' powers of endurance than their brilliance.

Rain interrupted play in the men's final at Roland Garros in Paris last night, with defending champion Ivan Lendl leading 7-5, 6-2, 3-6, 3-2. The interruption came as a welcome break to the players, who had been on court for nearly four hours at the time.

Lendl won the first set in 80 minutes. It was as wearisome an affair for the spectators as it was for the players. The stands were packed to capacity, but the fans were mute as the players indulged in chewing-gum rallies typical of clay court tennis at its worst. Sometimes the tennis was as soothing and soporific as a mother's lullaby to her child. One rally lasted 83 exchanges, another 61. Much of the time the players traded backhand-to-backhand exchanges from corner to corner, with neither showing courage or imagination, or the strokes of which both are capable.

In fact, the change came when Lendl broke out of the spell that Wilander appeared to have cast over him. At 5-5, he left the baseline for



THE WINNER. Lendl plays one of hundreds of backhand returns. (Reuter telephoto)

the more perilous ground near the net - and his courage and initiative were rewarded. He broke Wilander to take a 6-5 lead, and then produced good first services and a superb forehand drive-volley to win the set.

The second set bore little resemblance to the first. Lendl was in the offensive throughout. Wilander could do nothing against the Czech's first service - he took three games to love. Lendl broke Wilander's service by going on to the attack, and ran out a 6-2 winner. Wilander was clearly rattled by Lendl's devastating play and by his own ineptitude. At one point, near the end of the set, he lost

his temper in a very uncharacteristic way and threw his racket violently on to the ground. This was clearly a code violation, but the umpire turned a blind eye to the incident.

Losing his temper didn't seem to do the Swede any harm. In the third set, he managed at last to get his service going, and he started to penetrate areas he had previously treated as forbidden territory.

In the men's doubles, Robert Seguso and Andre Jarryd beat Yannick Noah and Guy Forget in the final. Navratilova and Shriver beat Graf and Sabatini 6-2, 6-1 in the women's final. Galliano Perez Rodan (Argentina) won the junior singles and Natalia Zvereva (USSR) the girls' singles.

## BASKETBALL

### Israel are out

Post Sports Staff  
Israel's basketballers will be forced to fight their way back into the top league of European basketball as a result of losing 83-77 to Poland in Piraeus yesterday. Again the youthful and inexperienced Israelis failed to meet the test of nerve when the crunch came.

Israel had fought back valiantly to convert a nine-point deficit at 20-11 into a 45-43 lead at the half. Morale was high despite the three previous defeats. But after the break, the Poles showed how well they had learned their tactical lessons about Israel during the recent Hapoel Games. While Israel failed to neutralize the brilliant shooting of Polish star Dariusz Zielinski, the Poles did manage to contain Doron Jamchee to what was for him, in his present high-flying mood, a mere 24 points.

The Poles were also stronger under the baskets, and committed fewer errors than the Israelis. Israel sustained 11 turnovers as compared to the Poles' four. Whereas the Poles intercepted eight Israeli attempted passes, Israel only snatched two.

Yet these statistics do not reflect the courage with which the Israelis fought on against adversity. Dog-

gedly they clawed their way back into the game, until, with 5-45 minutes left to go, they were only one point behind - 74-73.

But then came the familiar failure of nerve that has done the young Israelis so much harm throughout the tournament. For four minutes they failed to score while the Poles piled on the baskets. Israel's drought was broken eventually, however, as Lassofo drove in powerfully for a layup that made the score 79-75.

But it was too late, and the Poles held on comfortably to secure their place in the top division.

Top scorers: Poland - Zelig 31, Binkovski 16. Israel - Jamchee 24, Mercer 12, Rosenberg 11, Lassoff 10.

Earlier West Germany beat Holland in a cliffhanger 76-75, thereby making certain of their place in the top division, while the Dutch are relegated along with Israel.

## NBA

The Boston Celtics beat the Los Angeles Lakers 109-103 in their third play-off game in Boston. The Lakers lead the series 2-1.

## BASEBALL

### AMERICAN LEAGUE EAST

	W	L	Pct.	GB
New York	34	18	.655	-
Toronto	31	21	.595	3
Milwaukee	28	24	.538	6
Detroit	26	26	.500	9
Baltimore	25	27	.481	10
Boston	24	28	.462	11
Cleveland	23	29	.442	12

### WESTERN DIVISION

	W	L	Pct.	GB
Kansas City	28	20	.583	-
Minnesota	27	21	.563	1
Seattle	26	22	.545	2
Oakland	25	23	.521	3
California	24	24	.500	4
Texas	23	25	.480	5
Chicago	22	26	.452	6

SATURDAY'S GAMES: Detroit 5, Boston 3, 14 innings; Toronto 8, Baltimore 5, 11 innings; Minnesota 3, Texas 2, 13 innings; Milwaukee 7, New York 6; California 2, Chicago 1, 10 innings; Kansas City 5, Seattle 2; Oakland A's 6, Cleveland 4.

### NATIONAL LEAGUE EAST

	W	L	Pct.	GB
St. Louis	32	18	.645	-
Chicago	31	19	.617	1
Montreal	28	22	.560	3
New York	27	23	.540	4
Philadelphia	26	24	.520	5
Pittsburgh	25	25	.500	6

### WESTERN DIVISION

	W	L	Pct.	GB
Cincinnati	30	22	.577	-
San Francisco	29	23	.558	1
Houston	28	24	.538	2
Atlanta	27	25	.519	3
Los Angeles	26	26	.500	4
San Diego	25	27	.481	5

SATURDAY'S GAMES: Chicago 6, St. Louis 5; Cincinnati 5, Los Angeles 2; New York 4, Pittsburgh 2; Philadelphia 4, Montreal 3; San Diego 5, Atlanta 3; San Francisco 4, Houston 3.

SOUND OF CHOIRS - THE LIGHT BLUES (England) Songs by Elgar, Britten, Poulenc, Saint-Saens, Paderewski, Kera, Gerahwin. (Museum Tel Aviv, May 26).

THE LIGHT Blues is not only an excellent vocal group - it can also claim to possess a very special and original character. This time there was no Renaissance polyphony, sad madrigal or pastoral duet of the 16th century. The concert started with Elgar and ended with the best of what American musicals can offer.

The six male voices, including two outstanding counter-tenors, create a most special sonority - clear, direct and penetrating; perfect together in harmony and intonation. But what seems perhaps the Blues' most important asset is its capability to combine entertainment with the highest degree of serious music. The group creates a pleasant, relaxed and often amusing atmosphere. There is no soul-searching depth of feeling, no tragedy or despair - not that they are incapable of producing that.

The Blues please us, make us enjoy the music and come away feeling lighthearted. And what under no circumstances should be forgotten is the humour which permeates some of their pieces. They even look funny and when they sing, *Weltschmerz* (world-weariness) is simply forgotten. Most concerts mirror much of the human suffering in the world. The Blues convinced us that there was a different reality. The group's confident spirit, optimism and humour are priceless. BENJAMIN BAR-AM

ISRAEL FESTIVAL. Jerusalem Symphony Orchestra, Mendel Rodan conducting, with Yo Yo Ma, cellist. (Sultan's Pool, M. Hassenfeld)

## Confident blues

### MUSICREVIEWS

Amphitheatre, May 30. Blast: Three movements from "L'Arlesienne" Block: "Schelomo," "Biblical Rhapsody for Cello and Orchestra" Dvorak: "Compendio for Cello and Orchestra Opus 104."

LISTENING to a musical evocation of Ernest Bloch's "Schelomo" just below the walls of the Old City of Jerusalem on a balmy summer's night is no routine affair.

It is an inspired occasion, and the rendition by the cellist Yo Yo Ma was indeed an inspired one.

Yo Yo Ma performs with tremendous spiritual energy and commitment. His expression is as sincere as it is intense. The two romantic concertos he played with no intermission emerged forceful, red-blooded and yet noble and - when called for by the music - gentle.

Mendel Rodan conducted the complicated sources with a firm hand, and the Jerusalem Symphony gave the soloist reliable support.

Gratifying as it was to listen to Yo Yo Ma, however, one can only regret that the open-air concert was the only occasion on which he is scheduled to perform. Even the most perfect amplification - and the one on Saturday night at the Sultan's Pool was not in that class - cannot do justice to the subtleties of the cello sound. Having such an artist here

and not hearing him in optimum conditions seems a terribly wasteful proposition.

The performance commenced with three pieces from Bizet's "L'Arlesienne," which seemed out of place, and ended with *Haikva* - the fastest this listener has ever heard. Yo Yo Ma joined the orchestra in playing the anthem.

ELI KAREV

ISRAEL FESTIVAL - Nights of Magic at Elia Karim, programme 1. Min Zedek, also Avner Ben-Zur, flute; Michael Hertz, cello; Jonathan Zak, piano (The Targ Music Center, Elia Karim, June 3). Handel: Cantata for Alto Flute and Continuo; Paderewski: Andante Op. 73 for cello and piano; Chopin: Nocturne (Voice of the Whales) for electric flute, cello and piano; The Lament: Duo for flute and cello in two movements; Lament: Berceuse: Sonatina for flute and piano; Ravel: Chanson Madecassaise for cello, flute and piano.

THIS programme of chamber music promised to be more interesting than it actually was. Handel's Cantata is of little interest and the use of a

piano as the continuo, instead of the harpsichord, proved extremely annoying. Regrettably, in Faure's Andante the two parts found no common ground. While Zak produced little more than a blurred and unintelligible murmur on the keyboard, cellist Haran indulged in romantic ardour.

Crumb's "Voice of the Whale" undoubtedly produces the most unusual sounds but fails to catch one's imagination. Nevertheless, the three participants did everything in their power to do justice to the composition.

The second part of the programme was much more rewarding. Ella Lazar's Duo - excellently rendered by Biron and Haran - is an unpretentious but sympathetic attempt to combine the two instruments, with a pleasant polyphonic-like arrangement in the first part and some mild instrumental effects in the second.

The two last pieces, Berkeley's neo-classical Sonatina and Ravel's "Chansons Madecassaises," were the most stimulating pieces of the evening. The Sonatina was given a sparkling and sharply accurate presentation while the songs, with Mira Zakai now in excellent form, evoked all the necessary exotic colours. BENJAMIN BAR-AM

## An alternative pathos



posing, and star stuff like Mikki Kam, Eli Gorenstein and Jonathan Segal acting, this show has everything going for it - except for everything it hasn't!

What it has is a tripey text, song numbers that numb (well, all but a very few) background music about as relevant as a bagpipe band, movement and vocal skills that, the last few sequences excepted, are either unhearsable or non-existent.

As for erotic appeal, no amount of onstage screwing or grotesquely nude get-ups make this show sexy, or for that matter, funny. All I can say is it takes a lot of *chutzpa* to set up any sort of musical with such outdated performing styles and skills.

Mikki Kam briefly gave of her inimitable best, and two not so well-known funny men, Shlomo Eiser and Arye Mosskuma, provided glimmers of the spirit of real vaudeville, too. The rest strained and struggled with intractable material to no avail.

Roni Toren's slick set and Yuval Caspin's snazzy costume effects, with Alden's extraordinary direction, did little to save the show. True, in the second half things did brighten up a bit. But unless they do something to step up the first half, a boring evening's entertainment is guaranteed. NAOMI DOUDAI

Amaziah by Yoram Forst. (Israel)

WITH NEW YORK'S David Alden directing, our Shlomo Grunich com-

## RUGBY

### Europe eclipsed

SYDNEY (AFP). - The 17th day of the inaugural Rugby Union World Cup left only one place still to be decided in the semi-final line-up, and proved to be the worst day yet for the northern hemisphere.

European rugby bowed its head as the second side from its five-strong contingent, Ireland, disappeared without trace, and a third, France, the jewel in the Five Nations rugby crown, reached the last four like a beggar at Fiji's farewell banquet.

Australia, still to discover the dash and dazzle of old, booked a semi-final berth by eliminating Ireland 33-15 while a dispirited French side, although winning 31-16, allowed Fiji to cock an arrogant snook at the celebrated Gallic flair.

## ATHLETICS

### New world mark

MOSCOW (Reuters). - Natalia Lisovskaya of the Soviet Union twice broke her own shot put world record at the Moscow athletics grand prix yesterday.

Minutes after bettering her 1984 record of 22.53 metres with a put of 22.60, Lisovskaya added another three centimetres to the record with a put of 22.63.

## SPORTOTO

This week's Sportoto contest produced 68 correct forecasts of all 14 games in the Australian soccer leagues. Each one of the happy punters will be NIS 10,000 richer, 578 people with 13 correct will receive NIS 128. Twelve correct results gave NIS 15 while eleven correct results scored a grand NIS 2.

HORSE RACING. - Bet Twice and Jockey Craig Parrett galloped to a shock victory in the 119th Belmont Stakes horse race on Saturday as Affirmed, who was bidding for the Triple Crown ended in failure when the latter was unplaced.

## Dollars and sense...

The Tel Aviv Hilton Executive Business Center and The Jerusalem Post business pages

FINANCIAL DATA: ISRAEL, EUROPE, U.S. Israel Money Markets

The General Manager  
Tel Aviv Hilton  
Tel Aviv 61405

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# World eyes nervously Japan's gravity-defying shares

On the eve of the long-awaited Venice economic summit, it seems only right and proper to look at what must surely be the most important financial market in the world — the Japanese.

A lot of ink has already been spilled explaining how and why this has come to be so, but the plain fact is that New York lives in utmost trepidation that the flow of Japanese investment funds will dry up, or even slow down, making the financing of the huge American budget deficit difficult or impossible. The counterweight to the massive Japanese trade

what effect any move might have on the crucial flow of Japanese money. Concurrently, of course, U.S. trade policy is proceeding in the opposite direction, of a collision course or trade war with Japan. This is one of the paradoxes that the leaders must grapple with in Venice.

Meanwhile, back in Tokyo, the domestic Japanese markets, both financial and other, are in the grips of the greatest boom they have ever seen. Nowhere is this more obvious than in the Tokyo Stock Exchange.

Israel's so-called financial experts have absolutely no knowledge of

boggling. The following sample, culled from a recent *Sunday Times* column, give some idea of what's going on:

- The unrealized stock market profits of the big Japanese banks amount to twice their total exposure to Third World debt.
- The market valuation of Nippon Telegraph and Telephone, which is being gradually privatized, exceeds that of IBM plus AT & T plus Exxon plus General Electric plus General Motors.
- The total value of land in Japan — which in area is about the same size

hardly make head or tail of it, as increasingly frequent *Wall Street Journal* articles have made clear.

This is hardly surprising, since the average price/earnings ratio of quoted companies in the region of 70, a level that is almost unthinkable in New York or London. The market is fed by a still-growing tide of personal and corporate money, hence the feeling that it must go higher.

Japanese individual investors are gradually realizing that the tiny interest rates they receive on much of their saving in local commercial banks and the giant Post Office Savings Bank could be enhanced considerably by a flutter on the exchange.

Corporations, faced with slumping export sales and the operating losses they bring in their wake, are finding paper profits from stock exchange activity an ideal method of beefing up their bottom lines. They also have little incentive to invest in capital equipment at the moment, given the high yen and sluggish local economy.

Institutions, of course, are flush with funds because of the famous Japanese propensity to save, and these find their way to the stock market, along with other investment channels at home and abroad.

The Japanese themselves seem to pay no attention to the growing fears expressed by foreigners that the runaway boom could end in a spectacular crash, apparently believing that the local rules and habits need not be bound to occidental concepts of valuation and risk/reward. Prophecies of doom are greeted with stony silence by the proverbially inscrutable Japanese.

The most fascinating features of the Tokyo market, to Israelis at least, may be illustrated from the following quotes from a recent *Wall Street Journal* analysis of the boom:

- Investors "move like a buffalo herd," rushing together from one sector to another. Speculation is rampant and it is fed by a non-stop rumour mill.
- Tips are more important than anything else, as a way to get ahead.

"Japanese brokers give the best clients the best stories. The least favoured clients get worse stories or get stories late," says one source.

The four major brokerage firms — Daiwa, Nomura (the biggest), which could eat Merrill-Lynch for breakfast without a hiccup, Nikko and Yamaichi — have "incredible influence over the market. They handle some 70 per cent of trading volume, have extensive branch net-

works, armies of salesmen and powerful business and political connections." They also swap stories with each other and generally act along typically Japanese consensus lines.

"And," adds another Tokyo-based foreigner, "it doesn't pay to buck this consensus. When Nomura decides to be bullish, everyone is bullish."

The next point will be obvious to Israelis, given the foregoing. "Along with the concentration of power comes the temptation to abuse it," one observer told the *Journal*. "Although hard to prove, the common knowledge among traders, brokers, analysts, economists and investors is that manipulation is rife in this market."

Losses are seen as undesirable — and correctable. "If an investor gets hurt by a bad stock pick, a friendly broker at a big firm gladly puts the client in an 'ambulance club' — one that the broker knows is about to hype. The client buys and recoups his losses."

Then there's politics: "Months before an election, new money rushes into the market. Moving on

the same principle as 'ambulance' stocks, 'political stocks' are said to bolster campaign funds.

The problem of an inadequate supply of many shares is also evident. Japanese companies buy stocks of suppliers and customers with whom they do business, as a sign of loyalty, and sit on them. "Analysts say this practice keeps about 40 per cent of total shares out of the market."

"The float of bank stocks is even smaller," with as much as 70-80 per cent of the equity being "unavailable." "People who didn't buy bank stocks years ago are having a tough time. Bank stocks now make up 30 per cent of the Tokyo index and prices have trebled in the last six months."

You might think that this would make the institutions wary, but you would be dead wrong: "We can't afford not to buy," said an insurance company fund manager.

The one thing they have which Israelis wouldn't know about is the ability to raise mortgage loans for exchange speculation:

"If you bought a 50-yen note (a tsuho is a measurement the size of

two standard straw mats) in Setagaya ward 10 years ago, it now has a current market value of 200-300 million yen (\$14 million-2m.). You probably have a first mortgage on that of 10-20 million yen," says a deputy general manager of Sanwa Bank, so that "there's at least 100m. yen in there to borrow against, maybe 200m. yen."

Thus homeowners can go to a bank and borrow \$1.4m., using their property as collateral. And says our Japanese banker, "lending 200m. yen to such a person is very sound banking."

But what happens, asks the reporter, if the homeowner takes half of the \$1.4m. and tosses it into the market — is that sound investing? The answer given is true but laden with scepticism — so far, so good.

That's fair enough, but the basic question remains hanging in the air: Can the Japanese economy pull off its greatest miracle ever and not end the great boom with an almighty bust? One would have thought that the laws of gravity apply in Japan as elsewhere and what goes up must come down. Even the rising sun goes on to set in due course.



Dealers bid on shares during a particularly hectic trading session of the Tokyo Stock Exchange last year. (AFP)

The market valuation of Nippon Telegraph and Telephone, which is gradually being privatized, exceeds that of IBM plus AT&T plus Exxon plus General Electric plus General Motors.

surplus has been the immense outpouring of capital from Japan to the rest of the world, which has turned that country into by far the largest creditor nation in the world and, has helped ease the Americans into the disastrous status of the world's biggest debtor nation.

This has now led to a state of affairs whereby U.S. monetary and exchange rate policy is conducted with one eye permanently cocked on

what is going on in Japan. They are focused almost entirely on New York, with some interest in London and now Paris, in view of the ongoing privatization programmes in Britain and France. Many do not even know that Tokyo has surged ahead of New York in terms of total capitalization.

The statistics about the Tokyo exchange and the Japanese economy can only be described as mind-

as California — is three times that of all the land in the U.S.

All this, in addition to that biggest world creditor status, which alone represents \$180 billion of foreign assets.

The Tokyo Stock Exchange last week smashed through the 25,000 mark on its main index, the Nikkei average, a rise of some 60 per cent in the last half-year — and most people expect it to go higher. Foreigners can



## CROSSWORD

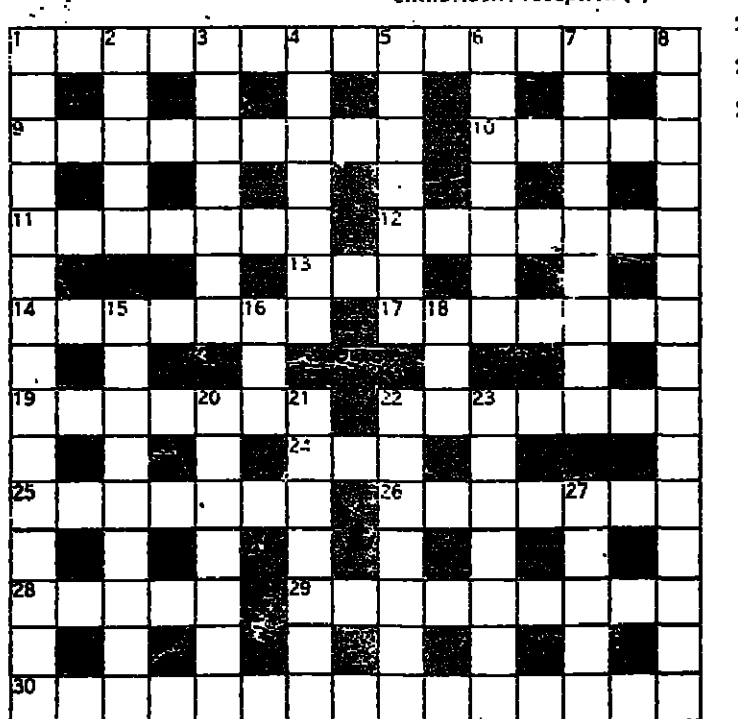
### ACROSS

- 11's safe to say there are no obstacles on the sea-front (5,5,2,5)
- 9 Praiseworthy archbishop, a Conservative (9)
- 10 Land in the Mediterranean (5)
- 11 Vacancy for the work of a doorman? (7)
- 12 Delests having empty machines (7)
- 13 Clay a realist at heart (3)
- 14 Thanks Kenneth in court when arrested (5,2)
- 17 Finish the telephone conversation and back out (4,3)
- 19 Topical sort of illusion (7)

- 22 A mania 'e developed suffering from a deficiency of red blood cells (7)
- 24 Crushed lemon on leaving the wood (3)
- 25 Live in a monk's costume (7)
- 26 Holder of the post (4,3)
- 28 Mael not beginning to satisfy, this man (3)
- 29 Not a look-out man? (9)
- 30 One who picks up the litter (9-6)

### DOWN

- 1 Story of Bath and Wells? (4,2,5,6)
- 2 Escape by English performing duet (5)
- 3 In a way too vain for an enthusiastic reception (7)



- 4 What a dentist might do opening a temporary substitute (4,5)
- 5 Lily I'd confuse with Carol initially, how blissful (7)
- 6 Miaow, a shrill cry expressing disapproval (7)
- 7 Little creature dislodged the marrow (8)
- 8 Heard when the lions were tickled? (5,2,8)
- 15 Field Marshal finds room besitantly (8)
- 16 Fifty per cent unable to find a girl (5)
- 18 A woman, disheartened by a bristly head (3)
- 20 Cat and bear engaged in entertainment (7)
- 21 Language used in the preparation of salad, we hear (7)
- 22 It is currently employed to measure electricity (7)
- 23 Fatty reorganised aid that will puzzle (7)
- 27 Pooh! Left inside blurred (5)

Yesterday's Solutions

PHONETIC: M P N E E E ORATORY TRAGERY L S S S B K E MAEWEST GANTABLE F M A G T I R N C I N G S I E R E A C A B U R A L U T P O E E D I C T S T H A N K Y O U S N H O M E G R O T E S Q U E O P P O S E R H T N I E M E R E T A R D S S E A B A S S T N E T N S E D E N T A R Y

- ACROSS: 1 Grate, 4 Tiddler, 9 Radical, 10 Synod, 11 Ecru, 12 Chignon, 13 Elk, 14 Loss, 16 Cast, 18 Bat, 20 Literal, 21 Bath, 24 Drawn, 25 Netball, 26 Esther, 27 Ridge.
- DOWN: 1 Carrot, 2 Adder, 3 Each, 5 Instinct, 6 Innings, 7 Ridg, 8 Flock, 13 Estrange, 15 Outcast, 17 Pledge, 18 Bland, 19 Shelve, 22 Award, 23 Stir.

## QUICK CROSSWORD

### ACROSS

- 1 Diminish gradually
- 4 Sound loudly (4,5)
- 8 Cupboard
- 9 Elector
- 10 Type of comedy
- 11 Lose lustre
- 13 So be it
- 15 Money order
- 17 Fourscore
- 20 Built-up area
- 22 Interfered
- 24 Porcelain
- 26 Small sheet
- 27 Used for treating diabetes
- 28 Superficial
- 29 Assessed

### DOWN

- 1 Ocean
- 2 Underground stem
- 3 Poem
- 4 Go round
- 5 At no time
- 6 Flightless bird
- 7 Portable lamp
- 12 Afresh
- 14 Measure
- 16 Support
- 18 Tooth
- 19 Longed for
- 21 Hebrew prophet
- 23 Reasoning
- 25 Small bay

## GENERAL ASSISTANCE

### EMERGENCY PHARMACIES

Jerusalem: Kiryat Moshe, 1 Kiryat Moshe, 526135; Belsam, Salah Eddin, 727215; Shu'afat, Shu'afat Road, 610108; Dar Aldawa, Herod's Gate, 282058.

Tel Aviv: Habimah, 17 Dizengoff, 28484; Ein Kerem, 18 Sderot Yerushalayim, Jaffa, Zahalon Branch, 822886.

Ramat Gan: Kupat Holim Meuhedet, Ben Gamla, Hod Hagharon.

Netanya: Netanya, 11 Herzl, 22842.

Kiryat Haifa: Kupat Holim Herman, Simat Modi'in, Kiryat Motzkin, 715136.

Haifa: Yavne, 7 Ibn Sina, 672288.

### DUTY HOSPITALS

Jerusalem: Bikur Holim (pediatrics, E.N.T.), Hadassah Scopus (internal), Hadassah, Ein Kerem, 18 Sderot Yerushalayim, Migav Lachad (obstetrics), Shaare Zedek (ophthalmology).

Tel Aviv: Roshan (pediatrics), Ichilov (internal, surgery).

Netanya: Laniado

### FIRST AID 101

Magen David Adom

In emergencies dial 101 in most parts of the country. In addition:

Ashdod 51332; Ashdod 22333; Bat Yam 5611111; Beersheba 78333; Carmiel 588565; Dan Region 781111; Eilat 72333; Hadera 32233; Haifa 512233; Hatzor 326333; Holon 803133; Tiberias 720111.

Jerusalem 523133; Ashdod 22333; Bat Yam 5611111; Beersheba 78333; Carmiel 588565; Dan Region 781111; Eilat 72333; Hadera 32233; Haifa 512233; Hatzor 326333; Holon 803133; Tiberias 720111.

Emergency First Aid, Tel. Jerusalem 523133, Ashdod 22333, Beersheba 78333, Carmiel 588565, Dan Region 781111, Eilat 72333, Hadera 32233, Haifa 512233, Hatzor 326333, Holon 803133, Tiberias 720111.

Rape Crisis Centre (24 hours), for help call Tel. 248818, Jerusalem - 248854, and Haifa 382611.

The National Poison Control Centre at Rambam Hospital, phone (04) 828205, for emergency calls, 24 hours a day, for information in case of poisoning.

Kupat Holim Information Centre Tel. 03-433300, 433300 Sunday-Thursday, 8 a.m. to 8 p.m. Friday 8 a.m. to 3 p.m.

### POLICE 100

Dial 100 in most parts of the country. In Tiberias dial 924444, Kiryat Shmona 4444.

### FIRE 102

In emergencies dial 102. Otherwise, dial number of your local station as given in the front of the phone directory.

### FLIGHTS

24 - Hours Flight Information Services: Call 03-8712484 (multilingual), Jerusalem Only (Taped Message) 03-381111 (20 lines)

## TODAY'S ENTERTAINMENT

**EDUCATIONAL TV**  
8.00 Telecast 8.00 Kfar Etz 8.40 School Broadcasts 14.00  
Telecast 14.00 Kfar Etz 14.15 Making Magic 14.35 Surprise  
Train 15.00 Mrs. Pepperpot - animated film 15.15 Family  
Problems 15.50 Kfar Etz 16.00 Five Mile Creek (part 26)  
17.00 A New Evening - live magazine

**ISRAELI TV**  
**COLOUR PROGRAMMES**  
17.30 The Car Bears (part 5) 18.00 The Children from  
Degrassi Street (part 7)  
**ARABIC LANGUAGE PROGRAMMES**  
18.30 News roundup 18.52 Programme Trailer 18.55  
Sports 18.58 House  
**HEBREW PROGRAMMES** resume at  
20.00 with a news roundup  
20.02 The Citadel, Part 4 of a 10-part BBC drama serial  
21.00 Mabat News 21.10 School Broadcasts  
21.35 Executive Stress  
22.00 This is the Time  
22.50 Miami Vice  
23.25 News

**ISRAELI TV CHANNEL 2**  
19.00 Two Together 19.30 Welsh 20.30 Ballet: Opus 1  
21.00 Shorts  
**JORDAN TV** (unofficial)  
17.30 Cartoons 18.00 French Hour 19.30 News in Hebrew  
20.00 News in Arabic 20.30 Ever Decreasing Circles 21.10  
Moonlighting 22.00 News in English 22.30 Fair stood the  
Wind for France

**MIDDLE EAST TV**  
13.30 Another Life 14.00 Club 14.30 Shape-Up 15.00  
Afternoon Movie: Mister Cory 16.30 Muppet Babies 17.00  
Super Book 17.30 Kipper 18.00 Happy Days 18.30  
Laverne & Shirley 19.00 News 20.00 Magnum P.I. 21.00  
NBA Playoffs 22.00 Club 23.30 Another Life

**VOICE OF MUSIC**  
6.02 Morning Melodies 7.09 Cherubini: Sinfonia in D major  
(Los Angeles Chamber Orchestra); Haydn: Quartet in C major  
for Flute, Violin, Viola and Cello Op. 5 No. 1; Beethoven:  
Concerto No. 4 for Violin and Orchestra Op. 58 (Ashkenazy,  
Chafetz/Gold); Schumann: Sinfonia No. 2 Op. 61 (Vienna  
Philharmonic/Mahta) 9.00 Langford: London Miniatures:  
Vaughan Williams: "In Windsor Forest" Cantata; Sibelius:  
Concerto in C major for Violin and Orchestra Op. 47 (Kramer,  
Philharmonia/Muti); Stravinsky: String Quartet No. 3 Op. 18;  
Ravel: Concerto in G for Piano and Orchestra; Tchaikovsky:  
Symphony No. 5 Op. 64 (Philharmonia/Muti); 12.00  
0.05 Schubert: Mass in G major; 12.05 Schubert: Mass in G  
major for Piano and Strings Op. 66 (Piano Quartet) 13.05

## WHAT'S ON

Notices in this feature are charged at NIS 9.45 per line, including VAT, insertion every day of the month costs NIS 188.60 per line, including VAT, per month.

### JERUSALEM

**ISRAELI MUSEUM** New Exhibitions: Dorit Ya'acoby and Reuven Zohari, Paintings (opens 7.8). Israeli Art, New Acquisitions (opens 7.8). Continuing Exhibitions: Islamic Jewellery, treasures of the 8th cent. to modern times (9). Pieter Van Lim (1609-1690), "Achilles Among the Daughters of Lycomedes." (9) Designs submitted in the 1986 competition for Supreme Court Building (9) Honore Fournier: Art and Hammer Collection (9) News in Antiquities (9) Gorovoy Donatien, Mid-19th century photographs of the human form (9) Paintings by Felix Nussbaumer, Jewish artist who died in the Holocaust (9) Miriam Bar-Tov, 4 Book Illustrations (9) Artists Quoting Artists (9) Ancient Egypt: Recent acquisitions (9) Children of the World Paint Jerusalem (9) Permanent collections: Archaeology, Judaica, Ethnic Art; the Dead Sea Scrolls (in the Shrine of the Book).

**ROCKEFELLER MUSEUM**: Ancient Masks and Rattles (9) Animals in Ancient Art (9) Islamic Art (Feley Centre).

**VISITING HOURS**: Main Museum 10-5. At 11: Guided tour of Museum in English; 3: Guided tour of Archaeological galleries in English.

**L.A. MAYER MUSEUM FOR ISLAMIC ART**: Visiting hours: Sun-Thur 10-12; 2-3:30. Fri. closed. Sat. and holiday even 10-12. 2 Hapahmat St., Tel. 6612912/2. Bus No. 15.

**Conducted Tours**  
**HADASSAH** - Hourly tours of the Chagall Windows at Kiryat Hadassah on the half hour. \* Information, reservations: 02-416333, 02-446271.

**SERIALS MUSEUM** of Biblical Archaeology of the Hebrew Union College, 13 King David Street, Tel. 203333. Visiting Hours: Sun-Thur 10-4. Fri. & Sat. 10-2.

**HEBREW UNIVERSITY**  
English tours daily Sunday through Thursday: 1. Mount Scopus, 11 a.m. from the Bronfman Reception Centre,

### CINEMA PERFORMANCES

**JERUSALEM**  
Beit Leasani: Koyanetsatzi 9:15, 11:15 p.m.; Ben Yehoshua: Streets of Gold 5:15, 7:15, 9:30; Chen Y: Tin Men 5:30, 7:30, 9:45; Chen 2: Little Shop of Horrors 5:30, 7:30, 9:45; Chen 3: Soul Man 5:30, 7:30, 9:45; Chen 4: Crimes of the Heart 11:25, 7:30, 9:40; Chen 5: Color of Money 11:25, 7:30, 9:40; Chen 6: The Morning After 5:30, 7:30, 9:40; Chen 7: Hannah and Her Sisters 5:30, 7:30, 9:40; Chen 8: The Marriage of Maria Braun 5:30, 7:30, 9:40; Chen 9: The Fourth Protocol 6:30, 7:30, 9:40; Chen 10: Drive-In Over the Top 8:10; Sex film 12 midnight; Esther: Club Paradise 5:30, 7:30, 9:40; Gati: That's Life 5:30, 7:30, 9:40; Haskolna 20A: Hosen: Red Kias 5:30, 7:30, 9:40; Hosen: Heat 5:30, 7:30, 9:40; Israli Cinema: The Conductor 7:15; Meetings with Remarkable Men 9:30; Lev 1: Down by Law 2:5, 7:30, 9:40; Lev 2: Clockwise 2:5, 7:30, 9:40; Lev 3: Melo 2:5, 7:30, 9:40; Lev 4: Tennis de Soiree 2:5, 7:30, 9:40; Lev 5: Lamer Hamehadash: The Fourth Protocol 6:30, 7:30, 9:40; Mizrahi: My Life as a Dog 5:30, 7:30, 9:40; Orly: Children of a Lesser God 4:30, 7:30, 9:40; Parla: Betty Blue, 37 Degrees in the Morning 11:45, 2:45, 7:30, 9:40; Peen: Billy Galvin 6:30, 9:30; Shalev: Pardon 4:15, 7:30, 9:40; Silvan: Something like This 4:30, 7:30, 9:40; Tama: 7:15, 9:40; Tchelet: Round Midnight 4:30, 7:30, 9:40; Tel Aviv: Over the Top 4:30, 7:30, 9:40; Zafon: The Name of the Rose 4:30, 7:30, 9:40

Vivaldi: Concerto No. 12 for Violin, Strings and Harpsichord in G major; Mozart: Quintet for Horn and Strings (St. Martin); Beethoven: Sonata No. 2 for Cello and Piano Brahms: 3 Sonatas (Sungard Chamber Choir); Saint-Saens: Concerto No. 2 for Piano and Orchestra Op. 22; Gounod: "Faust" Ballet Music (New York Philharmonic/Gerstner) 15.00 "Wozek of Berg" Part 9 16.00 From Our Concert Halls, Herbig/Israel Philharmonic/Da Vries - Bach: Suite No. 1; Marcello: Concerto for Oboe and Orchestra; Albinoni: Concerto for Oboe and Orchestra; Schubert: Symphony No. 6 18.00 Emphasis on the Performance 19.00 Wind Orchestras 20.05 Musical Medley 20.30 From Our Concert Halls (no details available) 22.30 Then and Again 23.00 Mendelssohn: Chamber Music and Songs

**RADIO 1st**  
6.03 Programmes for Olim 7.30 Programme in Easy Hebrew 8.05 Compass - with Benny Hender 9.05 Information for Listeners 10.05 Morning Pearls 11.10 School Broadcasts 11.30 Folksongs 12.05 Mid-East Medley 13.00 News in English 13.30 News in French 14.06 Children's programmes 15.30 Education for all 16.05 The Middle Years 17.20 Everyman's University 18.05 Jewish Traditions 19.05 Reflections on the Portion of the Week 19.20 Bible Reading 19.30 Programmes for Olim 22.05 Every Man has a Star - with astrologist Ilan Pecker

**RADIO 2nd**  
6.12 Gymnastics 6.30 Editorial Review 6.53 Green Light - drivers' corner 7.00 This Morning - news magazine 8.05 Making an Issue 9.05 House Call - with Rivka Michaeli 10.05 All Shades of the Network - morning magazine 11.30 Safe Journey 12.10 O.K. on Two 12.00 Midday - news commentary, music 14.05 Culture and Arts Magazine 14.30 Six Days in June - 20 years after 18.05 Songs and Homeword 17.05 Economics 18.05 Jewish Magazine 18.05 Education Magazine 18.45 Today in Sport 19.05 Today - radio newswire 19.35 Law and Justice 20.05 Cantorial Hit Parade 22.05 Jazz Concert 23.05 Night Games

**ARMY**  
6.05 University on the Air 6.30 Open Your Eyes - songs, information 7.07 "707" - with Zvi Shapira 8.00 Good Morning Israel 9.05 In the Morning - with Eli Yarseli 10.05 Coffee Break - with Michael Niv 11.05 Right Now - with Rafi Reshef 13.05 Good Place in the Centre 15.05 The Magical Mystery Tour (repeat) 16.05 Four in the Afternoon 17.00 Evening Newswire 18.05 Looking back at the Lebanon War 20.05 Books and Journals, Books Lapsed 21.00 Mabat - TV newswire 21.30 University on the Air (repeat) 22.05 Popular songs 23.05 The 24th Hour 00.05 Night Parade - songs, chat

Administration Building, Buses 9, 28, 48, 28 & 23 to the underground stop, Givat Haim, 9:11 a.m. to 11 a.m. from the Sherman Building, Buses 9, 28, & 24, Tel. 882819.

**AMIT WOMEN** (formerly American Mizrahi Women). Free Morning Tours - 8 Alkalai Street, Jerusalem. Tel. 02-689222.

**EXHIBITIONS**  
Computer beats ROULETTE! Tel. 02-247638.

**TEL AVIV**  
**MUSEUMS**  
**TEL AVIV MUSEUM** Exhibitions: From Marex to Picasso (9) Salvador Dali Writer/Illustrator (9) Alexander Archipenko, A Centennial Tribute, 50 sculptures, sculptor-paintings and drawings (9) Edward Munch, prints: Death, Love and Anxiety, Helena Rubinstein Perfumes: Closed for installation of George Grosz Exhibition (opens 9.8). Visiting hours (Museum and Pavilion): Sun, Tue, Wed, Thur, 10 a.m.-8 p.m.; Mon, 8 p.m.-5 p.m.; Fri, 10 a.m.-2 p.m.; Sat, 10 a.m.-2 p.m.; 7-10 p.m.

**Conducted Tours**  
**AMIT WOMEN** (formerly American Mizrahi Women). Free Morning Tours - Tel Aviv, Tel. 220187, 223154.

**WED.** To visit our project call Tel Aviv, 222539; Jerusalem, 228820; Haifa, 38817.

**ORT.** To visit our technological High Schools call Jerusalem 533141; Tel Aviv 386171, 233231, 240529; Netanya 37444.

**PIONEER WOMEN** - NA'AMAT, Morning tours. Tel. Aviv, 210791, Jerusalem 244878.

**HAIFA**  
**MUSEUMS**

**HAIFA MUSEUM**, 26 Shabbat Levy St. Tel. 04-523255. Exhibitions: Modern Art; Anis Adams, photographs. Ancient Art - Coins of Akko in Ancient Times. Music & Ethnology: world paper cuts. Open: Sun-Thur, & Sat. 10-1; Tues, Thur, & Sat. also 6-9. Ticket also admits to National Maritime, Japanese and Prehistoric Museums.

**WHAT'S ON IN HAIFA**, dial 04-640840.

**HAIFA**  
Amphitheatre: 9 Weeks 4:30, 7:30, 9:30; Armon: Closed due to renovations; Atzema: 1: Children of Lesser God 4:30, 6:45, 9:15; Atzema 2: Decline of the American Empire 4:30, 7:15, 9:15; Atzema 3: Ferris Bueller's Day Off 4:30, 7:15, 9:15; Chen Hamehadash: Crocodile Dundee 4:30, 7:15,



MARKET  
PLACE

JAN KRISTIANSEN

Venetian  
binds

The summit of the seven top Western industrial powers, which opens in Venice today, seems unlikely to produce any decisive action to ward off potential troubles threatening the world economy.

The heads of state or government of Britain, Canada, France, West Germany, Italy, Japan, the U.S. and leaders of the European Community face a series of major challenges as they converge on the Italian Adriatic city for their annual caucus.

International organizations have lowered their growth forecasts for the major industrial powers over the next 18 months to barely 2 per cent, implying a possible aggravation of already serious Western unemployment and Third World debt problems. The dollar has continued its gyrations on the foreign exchanges despite solemn undertakings by the seven summit countries, meeting as the Group of Seven (G-7) in Paris last February and again in Washington in April, to work together for currency stability.

At those meetings they also renewed their commitments to closer economic policy coordination, including action by the top three trading powers — the U.S., Japan and West Germany — towards reducing huge trade and payments imbalances. But there has been hardly any concrete progress so far.

Instead, fears of renewed inflationary pressures have pushed up interest rates in the U.S. — the yield of long-term bonds has risen by nearly 1.5 percentage points since the winter — and there is more talk of a possible recession.

Stressing the current weakness of the Japanese and West German economies, and the generally sluggish picture of Western Europe as a whole, one Paris-based economist said last week that there was "a danger of a snowballing effect."

The risks facing the global economy were strongly underscored at last month's annual council session here of the 24-nation Organization for Economic Cooperation and Development (OECD). But the OECD meeting, a key element in the preparatory process ahead of the Venice summit, failed to break any new ground, short of proclaiming a renewed strong commitment to combat protectionist pressures and to tackle in earnest the problem of distortions in world agricultural trade.

U.S. Treasury Secretary James Baker, who has repeatedly dismissed a "doom and gloom" approach, assured reporters last Wednesday in a satellite hook-up between Washington and other summit-nation capitals that actions so far agreed by the major powers would "do the job" and that progress was being made towards implementing them. He specifically welcomed Japan's \$43 billion plan to stimulate domestic growth and sought to minimize the scope of Washington's quarrel with West Germany, the other main superpower.

West German Finance Minister Gerhard Stoltenberg has flatly rejected U.S. pressures for an easing of Bonn's fiscal policy ahead of a \$7.5b. tax cut planned for next January, despite a sharp slowdown in activity so far this year.

Baker also stressed U.S. progress in cutting its huge budget deficit — seen as a prerequisite for lower interest rates and a steadier dollar — which, he predicted, would be reduced by about 18 per cent this year to a range of \$175-\$180bn.

International economists, who consider control of Washington's budget gap as "the heart of the matter," are less optimistic. They believe some form of tax increase, so far rejected by President Reagan, is needed to achieve the targets set out in February's Paris accord. The White House must break the stalemate over these issues with Congress now, they maintain, because 1988 is election year in the U.S. and hardly any progress can be expected then.

The freedom of action of most of Reagan's partners will also be inhibited by electoral or other domestic political concerns, and analysts see little hope that the Venice summit will bring any fresh responses to current challenges.

"Frankly, I feel more concerned now than a month ago," says one senior European economist. (AFP)

## 1st quarter results confirm No. 1 spot

## Hapoalim posts NIS 30m. net

By PINHAS LANDAU  
Post Finance Reporter

Bank Hapoalim yesterday announced a net profit of NIS 30.1 million in the first quarter, compared with a NIS 24.9m. net for all of 1986.

The bank's inflation-adjusted total assets grew 4.2 per cent in the quarter, to total NIS 42.4 billion.

The figures — published as Hapoalim Chief Executive Officer Amiram Sivan marked his first anniversary on the job — confirmed Hapoalim's position as both the largest and most profitable of the major commercial banks. During Sivan's tenure Hapoalim has surpassed Bank Leumi for the first time in total size, although the main factor in this change has been the erosion of

dollar assets in constant shekel terms.

Pre-tax profit for the Hapoalim Group amounted to NIS 59.3m., with the tax reform helping to lower the government's take to NIS 27.7m., or less than 47 per cent of the total.

Capital means grew by NIS 31.2m., or about 2.5 per cent, to reach NIS 1,245., or 2.6 per cent of total assets. The capital-to-assets ratio failed to improve, however, despite the strong profit performance, as assets rose faster than capital. In part, this reflected the revaluation of dollar-linked assets after the January devaluation of the shekel.

Loans to the public grew almost 5 per cent, to stand at NIS 17b., although total loans only rose 2.4 per

cent. This discrepancy suggests that the bank's policy of aggressively expanding lending to consumers and corporations is paying off.

Deposits from the public rose even faster, climbing 5.5 per cent to NIS 29.4b.

The net return on equity, on an annualized basis, reached 10.3 per cent.

Of the larger banks, only Israel Discount has yet to publish first-quarter results, and it is thought certain that Hapoalim's performance will be the best in the January-March period. However, analysts both in and outside the banks have cautioned that the first-quarter figures can only be taken as indicative of the trend for the full year and too much should not be read into them.

Import growth  
slowed in MayBy AVI TEMKIN  
Post Economic Reporter

A relative slowdown in the sharp rise in imports was registered last month, figures released by the Central Bureau of Statistics yesterday showed.

Merchandise imports totalled \$983 million last month, which, after accounting for seasonal factors, was 12 per cent below the average for the previous two months, the bureau said.

But the bureau also noted that the level of imports remained very high. The monthly average of imports for the first five months of the year was 12 per cent above the average for the last half of 1986.

The bureau noted that in the last five months there had been a rise in the value of imported fuel, although it was still 14 per cent lower than in the same period last year. Imports of fuel totalled \$400m. for the January-May period.

2 Sheraton  
executives  
due to leave

By GREER FAY CASEMAN

Two top Sheraton International executives based in Israel are expected to be leaving their posts soon, and one may have already resigned, *The Jerusalem Post* has learned.

And, in a related but separate development, reports have been circulating that Canadian-based CP Hotels — long a presence in the local hotel sector — may be quitting Israel. Sheraton may be ready to assume management of CP's remaining hotel in the country, the Tiberias Plaza, according to the reports. But the chain may give up management of the Sheraton Jerusalem Plaza.

Spokesmen for Sheraton refused to confirm or deny the reports that Sheraton Jerusalem Plaza general manager Edmond Pincowski and his executive assistant manager, Stuart Ben-Shoshan, would be forced to resign.

The *Post* has learned that Ben-Shoshan quietly resigned yesterday, although there was no official announcement. Pincowski told *The Post* that he had come to Israel at Sheraton's request and would be leaving when the company saw fit.

Meanwhile, CP is reportedly planning to leave Israel when its management contract with the Tiberias Plaza ends in August. Sheraton, which has been looking for a takeover in the Galilee, is reportedly negotiating to take over the contract.

CURRENCY  
MARKETSA tumultuous  
week for the dollar

The dollar closed little changed on Friday in quiet trading that mainly reflected position adjustments ahead of the Venice summit that begins today. This was in sharp contrast to the wide price swings that prevailed earlier in the week.

On Tuesday, the White House surprised the markets with the announcement that Federal Reserve Board chairman Paul Volcker was unwilling to serve a third term and that economist Alan Greenspan would succeed him in August. It was widely expected that Volcker would remain in office. The U.S. bond market had its worst one-day drop in two years, and the dollar was sold heavily.

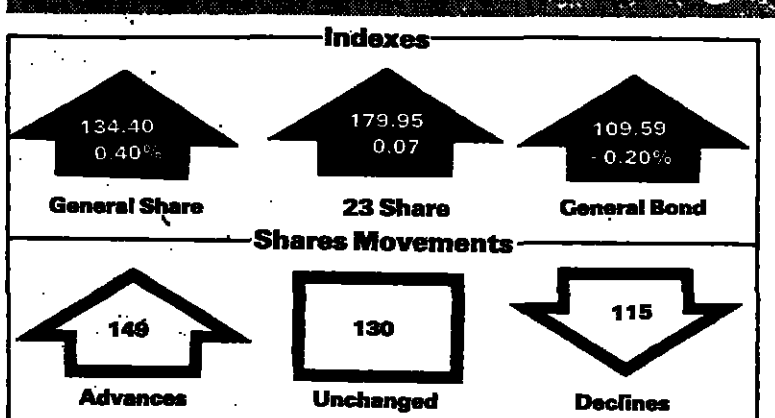
The panic was felt mainly among overseas investors to whom Greenspan is a new face. The U.S. currency was traded as low as 1.794 Deutschmarks and 141.4 yen, even with the Bank of Japan selling yen to calm the market. Wednesday provided nearly as dramatic a change, with both the dollar and bonds rebounding as market participants realized that Tuesday's reaction was overdone.

The week's events failed to give the dollar a sense of direction. Its rebound from the week's lows indicates the existence of a buying power that should support the currency at lower levels.

No major developments are expected from the Venice Group of Seven economic summit, rather a reaffirmation of the Paris accord. U.S. trade data for April, due on Friday, may be of greater importance. Any surprising result from either of those two events can move the U.S. currency towards the end of its 176-187 mark trading range, but in any event this range is expected to hold for the time being.

The column appears courtesy of Boaz Barak Advisory Services.

## Tel Aviv Stock Exchange



## Selected Prices

Name	Price	Yield	% change
<b>Commercial Banks</b>			
Bank Leumi	2230	4	-
Bank Hapoalim	2285	13818	-
Bank Haheretz	2920	188	+1.6
Bank Hahitpa'ach	10250	5825	-
<b>Commercial Banks</b>			
Bank Leumi	95400	430	+0.1
Bank Hapoalim	72100	231	+0.2
Bank Haheretz	122500	175	+0.3
Bank Hahitpa'ach	38100	1064	+0.4
Hapoalim R	85000	774	+0.3
Bank Haheretz	181100	15	+1.0
Bank Hahitpa'ach	41500	2075	+1.0
Fin. Trade	55200	74	+1.5
<b>Mortgage Banks</b>			
Leumi Mort.	11400	502	+4.6
Dev. Mort.	4171	2837	+0.8
Mitkani R	4010	1717	+0.2
Bank Haheretz	28500	504	-
Mort. R	9270	482	-
<b>Financial Institutions</b>			
Agria Co.	Not trading		
Leumi Ind.	15801	Not trading	+2.6
Ind. Dev. Co.	Not trading		
Ind. Leasing Co.	29470	130	-
<b>Insurance</b>			
Avrami R	1580	1233	+1.0
Phoenix R	748	4236	+1.2
Hemdat R	670	58	+0.3
Menorah R	3140	50	-0.6
Shahar R	9485	957	-
Securit R	1450	1994	-
Shoham R	10700	5	-
<b>Trade &amp; Services</b>			
Meir Ezer	1085	4533	+3.3
Clal Trading	690	38956	-0.4
Lighting R	28500	27	-1.5
Gold Storage R	1854	59	+4.6
Dan Hotel R	2210	764	-
Yarden Hotel	3088	630	+4.4
Hotel R	24510	616	+0.3
M.L.L.	18227	227	-
Team 1	895	4354	-1.1
<b>Real Estate, Building and Agriculture</b>			
Azrieli	1616	28514	-
Al-Rov	2048	482	-0.5
Africa Int. R	58610	470	+0.8
Africa Int. R	5001	1120	+0.2
Danbar	6100	572	-
J.E.C.	344	2657	-2.7
Bayfield Oil	6100	1072	-
Mahadim	7270	988	-
Hedraim Prop.	1825	1473	-
<b>Abolitions:</b>			
s.e. sellers only			
b.e. buyers only			
b.e. registered			
<b>Investment Companies</b>			
Israel Corp. R	5400	14688	-0.1
Wolfson R	141080	7	-2.1
Hapoalim Ind.	12120	675	-2.1
Mitkani Ind.	38010	5	-2.7
Leumi Ind.	280	18233	-
Pama R	Not trading		
Phyon	17500	816	-
<b>Oil Exploration</b>			
Paz Oil Expl.	44950	143	+3.8
J.O.E.L.	1082	3801	-
<b>23 Shares</b>			
<b>Morning</b>			
Name	Price	Yield	% change
First Internet	8202	1320	+2.50
Hemdat R	417	3800	-0.2
Superior R	18081	860	+1.75
Superior R	13438	840	+1.75
Delek R	6483	8540	+1.3
Prop. & Building	4328	5000	+2.25
ILDC R	9598	380	+1.25
Leumi R	4900	1850	-
Clal R Estate	855	11000	+2.00
Elia	22227	580	+0.25
Elia	5923	780	-0.2
Elia Gali 1	2195	3200	+1.0
Agan	14781	2520	+3.00
Bank Haheretz	4900	1850	-
Perchem	857	13000	-0.25
Alpina	468851	126	+1.75
Central Trade	1150	1500	-
Clal Industries	288	219000	+0.2
IDB Develop.	11907	2480	+1.75
Elron	6871	890	+2.00
Discount Invest.	1274	7600	+1.00
Clal Ind.	1274	33600	+1.00
Fin Invest.	4058	100	+1.50
<b>Afternoon</b>			
Name	Price	Yield	% change
First Internet	8202	1320	+2.50
Hemdat R	417	3800	-0.2
Superior R	18081	860	+1.75
Superior R	13438	840	+1.75
Delek R	6483	8540	+1.3
Prop. & Building	4328	5000	+2.25
ILDC R	9598	380	+1.25
Leumi R	4900	1850	-
Clal R Estate	855	11000	+2.00
Elia	22227	580	+0.25
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Elron	6871	890	+2.00
Discount Invest.	1274	7600	+1.00
Clal Ind.	1274	33600	+1.00
Fin Invest.	4058	100	+1.50

## Statistics

General (incl. agr.)	185.70	+0.28%
Non-agric. Banks	187.45	+1.23%
Arrangement Banks	113.75	+0.52%
Mortgage Banks	188.72	+0.87%
Financial Inst.	120.26	+0.18%
Insurance	125.42	+0.26%
Commerce & Services	167.29	+0.35%
Real Estate & Agric.	156.13	+0.50%
Food & Tobacco	161.64	-0.14%
Electronics	145.59	-0.18%
Textiles	182.74	+0.77%
Metals	185.53	-0.44%
Chemicals	153.58	-0.14%
Chemicals	186.50	-0.29%
Industrial Invest.	181.36	+0.24%
Investment Cos.	185.38	+1.01%
Oil Exploration	204.07	+3.15%

## Bond Indices

Index-linked Bonds	108.82	+0.24%
Fully linked	108.46	+0.35%
Partially linked	107.97	+0.03%
Foreign Currency	114.28	-0.08%
FC denominated	115.11	+0.14%
FC linked	114.07	-0.19%
Short-term 0-2 yrs	108.44	+0.07%
Short-medium 2-5 yrs	108.52	+0.12%
Medium-long 5-7 yrs	110.54	+0.24%
Long-term 7+ yrs	110.74	+0.27%

## Turnovers

Total Shares	NIS 28,820,100
Non-arrangement	NIS 16,824,100
Arrangement	NIS 2,896,100
Bonds	NIS 7,593,700
Treasury Bills	NIS 20,352,800
<b>Share Movements</b>	
Advances	148 (228)
of which 5%+	13 (38)
Declines	115 (67)
of which 5%+	1 (1)
Unchanged	33 (22)

## Bond Market Trends

Index-linked:	
2% fully linked	Mixed to 1%
4.25% fully linked	Mixed to 1%
80% fully linked	Falls to 0.1%
Double linked:	
Admon	Falls to 0.1%
Rimon	Falls to 0.1%
Gilboa	Mixed to 1.5%
FC denominated	Mixed to 1.5%
T-bills	17.00-18.10%

## Arrangement Yields:

IDB ord.	14.71%
Union 0.1	13.47%
Discount	14.24%
Mitkani R	14.34%
Hapoalim R	14.52%
General A	14.50%
Leumi Stock	13.80%
Fin Trade 1	13.80%

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## Shekel Deposits (annual rates)

Bank	Deposit	7 days	14 days	30 days
Leumi (June 6)	500-999	8.00	8.50	11.00
	1,000-4,999	12.25	12.75	14.50
	10,000-49,999	13.75	14.25	16.25
	50,000+	14.25	14.75	16.75
	Up to 999	8.00	8.00	9.00
Hapoalim (May 28)	1,000-4,999	16.00	14.00	14.25
	10,000-49,999	18.50	14.50	15.50
	50,000+	17.50	15.00	15.50
	1,000-999	8.00	9.00	12.00
	10,000-10,000	14.00	14.00	14.50
Discount (June 6)	10,000-50,000	15.00	15.00	15.50
	50,001-99,999	15.00	15.00	15.50
	40-1,000	—	—	—
	1,001-2,500	—	—	—
	2,501-5,000	—	—	—
Mizrahi	5,001-10,000	—	—	—
	10,001-50,000	—	—	—
	50-999	8.00	10.40	11.00
	1,000-4,999	12.00	12.50	13.10
	5,000-9,999	13.00	13.60	14.10
First Int'l (June 4)	10,000-49,999	14.50	15.10	15.10
	50,000+	15.00	16.00	16.20



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## A challenge to Israel

WHATEVER it was that Hanna Siniora precisely meant by announcing his readiness to head an Arab list in next year's Jerusalem municipal elections, and whatever the fate that awaits him and his plan in the often deadly cut-and-thrust of Palestinian politics, the editor of *Al Fajr* has already struck a mighty blow for sanity in any discussion of Israel's own future, as a Jewish and democratic state.

With the exception of the small racist and anti-democratic fringe group among them, Israeli Jews are proud of the fact that their country, for all the strains and stresses to which it has been subject, remains steadfast in its commitment to constitutional democracy and to the principle of equal justice for all. Now Israeli Jews will have to ponder the likely practical meaning of this commitment when it allows as it must, all 70,000 or so Arab voters in the reunified capital - nearly all of them still Jordanian citizens - to cast their ballots for a national Arab list.

One likely practical meaning might well be the emergence of a non-Zionist Jewish-Arab majority in Jerusalem's city council, with the Arabs, though still a minority themselves, being able to play on the municipal level the same kind of power-balancing game that has been reserved for the religious Jewish parties in Israeli national politics. This is a fairly explosive prospect, and it may be doubted whether Mayor Teddy Kollek, who has warmly welcomed Mr. Siniora's initiative, is keen on seeing it turn into reality.

Especially as it will inevitably involve a loss to the mayor's list of the few thousand critical Arab voters that have during the past two decades been cast on election day in Jerusalem. Yet the mayor knows full well this is the price to be paid for Jerusalem's unity.

The idea of wholesale Palestinian participation in the Israeli electoral process is not entirely new, of course. It was first broached not long ago by Dr. Sari Nusseibeh, a Bir Zeit University lecturer in Islamic philosophy. Having taken note of the inefficacy of violent methods in wrenching the occupied territories from Israel's hold, Prof. Nusseibeh proposed that Israel annex the territories and then grant the Palestinian residents their citizenship rights, including the vote, as under international law it would be required to do.

Israelis, Prof. Nusseibeh rightly reasoned, could not simply dodge the dilemma which would thus confront them. For his proposed solution would either be the end of Israel as a meaningful Jewish state, or alternatively - if the Jewish majority chose to deny the Palestinians their rights after annexation - a prelude to Israel's end as a democracy.

A revolutionary exercise though it was in political thinking, the idea did not catch fire among the Palestinians. No practical Arab politician was going to endorse annexation of the territories by Israel in the hope that this would discomfit the occupier, and lead him to repent the occupation altogether. Now, however, Mr. Siniora, a practical politician of the moderate PLO stripe - he was one of Shimon Peres's candidates for the mooted joint Jordanian-Palestinian delegation to peace talks - has brought the idea down to earth, and reduced it to possibly manageable proportions.

So far, reaction among his own people on both banks of the Jordan has been preponderantly hostile to Mr. Siniora's proposal, and the PLO is yet to be officially heard from.

Prof. Nusseibeh for one has let it be known that he thinks the proposal is too modest in scope, and that in any case it should be held up until all hope for the peace process really vanishes. The more common objection is that, despite Mr. Siniora's professed backing for a political redivision of Jerusalem between an Israeli and a Palestinian sovereignty, the proposal in effect legitimizes Israel's "undemocratic" claim to the whole of the city.

For this very reason a number of "pragmatic" Herut politicians have applauded Mr. Siniora's initiative. But the more typical - and, it seems, more sincere - response from the annexationist camp has been one of total rejection. Only an Arab list that would, while condemning terrorism, also endorse Jerusalem's irrevocable union under Israel's flag should be ceded a place on the ballot, it is suggested.

To the exposure of such hypocrisy - by forcing its practitioners to come out and declare themselves - Mr. Siniora has already made a notable contribution.

## Our new man in Washington

IT IS NO disrespect to Israel's ambassador-designate to Washington, Moshe Arad, to suggest that he will need all the goodwill and cooperation from both Washington and Jerusalem to have an effect on the American-Israeli connection.

That connection is now passing through an exceedingly delicate phase, and nothing less than the highest qualities of intellectual and professional helmsmanship would seem to be required on the Israeli side to assure safe piloting. Mr. Arad, who has just retired as envoy to Mexico and has held a number of responsible positions in Israel's foreign service, is certainly a capable diplomat. The *Washington Post*, however, especially at this time, calls for something more.

Premier Yitzhak Shamir and Foreign Minister Shimon Peres, who had jointly endorsed his candidacy before it was approved by the cabinet yesterday, must have felt in a great hurry. The former ambassador, Dr. Meir Rosenne, had departed a week ago without Mr. Shamir finding it possible to agree on any of the several highly recommendable names submitted to him for his acquiescence by Mr. Peres over a period of many months. Mr. Arad's appointment was the last-minute result.

Relations between Jerusalem and Washington will now, at least for a start, have to be conducted at the top government level, or through U.S. Ambassador Thomas Pickering in Tel Aviv.

## ARRESTS

(Continued from Page One)

Zvi Katzover, brother of Gush Emunim activist leader Benny Katzover. Soldiers confronting Arab stone-throwers are given unclear orders, Katzover said. "We want Rabin to resign, and the orders to be changed," Shmuel Ben Yishai of Kach, who heads the Kiyat Arba Vigilante Committee for Safety on the Roads, told *The Jerusalem Post*. "It's a shame that the reaction to Jewish blood is only the breaking of Arab glass. Blood is avenged with blood, not glass. Their houses should have been burnt."

Kiyat Arba leaders later condemned the attack in a meeting with Mitzna. They said settlers at the scene had overstepped norms whereby weapons are not carried during demonstrations, and violent confrontations with soldiers and attacks on innocent persons are avoided. Mitzna said he had received similar condemnations from other settler leaders in the West Bank.

In a meeting yesterday with 30 community leaders from Dehaishe, Mitzna expressed regret over the violence and said "the soldiers' struggle with the Jewish extremists had prevented loss of life."

The attack was also condemned yesterday by the coordinator of activities in the territories, Shmuel Goren, who labelled it a "crime" carried out by "a rioting mob." He said the action harmed security efforts in the area.

Foreign Minister Peres warned against "looking like those who want to hurt us." The attack was also condemned by Likud MK Sarah Doron. MK Yossi Sarid (Citizens Rights Movement) called for a curfew on Kiyat Arba instead of Dehaishe.

SO WHO is Hanna Siniora? "A man who represents not one but himself and whose positions run counter to the Palestinian national positions - contrary to all principles and values," to quote Bassam Shak'a, a former mayor of Nablus, or, "an authentic representative of Arafat and the editor of a subversive newspaper," according to Tevya member of Knesset, Genia Cohen?

It was very dramatic of Kol Yisrael to broadcast these two points of view of Hanna Siniora in its morning news magazine on Friday but the programme failed to explain what the Siniora initiative is really all about.

Hanna Siniora is a Christian Palestinian Arab and editor of a daily Arabic paper in East Jerusalem, *Al Fajr*. Siniora recognizes the existence of the state of Israel and has regular contacts with many Israelis and foreign diplomats.

He is not a member of the PLO, but believes that the PLO, for better or worse, is the sole legitimate representative of the Palestinian people, and that there should be a Palestinian state living side by side with Israel.

Siniora no more represents the PLO and Arafat than Dr. Nahum Goldmann used to represent the Israeli government. That does not mean that the more open minded members of the PLO aren't willing to use Siniora as a proxy, just as on occasion the Israeli government used Goldmann's good services. But this time Siniora's plan is a strictly local initiative, coordinated with no one.

SINIORA'S ARGUMENT is that since the Peres peace initiative

THE OUTBURST of charge and counter-charge between Israelis and American Jewish leaders regarding "Jewish backbone," "dual loyalty," "shleht mentality," "American Jewish cultural superiority," "Israeli dependence on American Jewish political influence," "the pseudo-Zionism of American Jews," "the self-appointed leaders of American Jewry," and other expressions points to one of the central issues of Jewish life today - the nature of Israel-Diaspora relations.

There are both internal and external aspects to this debate. The recent meeting of the Jewish Agency Board of Governors, which focused on the responsibility of Arye Dulin in his position at Bank Leumi representing the World Zionist Organization's nominal control of the bank which it founded, together with the Pollard affair and the impending increase in Soviet Jewish immigration (including the issue of refugee status) have uncovered suppressed ideological and practical differences between Israel and the largest Jewish community in the world.

The current debate has led to three alternative proposals regarding the future of the relationship:

- Separation of the WZO from the Jewish Agency on the basis of separate and defined areas of activity;
- Integration on the basis of choosing representatives of the campaigns-communities to head certain Agency departments together with those elected by the Zionist Congress within the existing structure;
- Unification of the WZO and Jewish Agency frameworks on an open and democratic basis.

Almost all of those involved agree that there is need for reorganization and a reduction in the number of operating departments in order to deal with organizational and structural deficiencies, as well as a reordering of priorities to meet the real needs of Jews everywhere.

As one intimately involved with the evolution of the WZO-Jewish

## READERS' LETTERS

### MOSLEM FANATICISM

To the Editor of *The Jerusalem Post* Sir, - In his article, "Extremism breeds extremism" (May 25), Yehuda Litani leads credence to his unnamed Arab friend's opinion that Moslem religious extremism on the West Bank is a direct result of Israeli religious extremism. It would be interesting to know to what he credits the rise of Islamic religious extremism in Iran, Egypt, Lebanon or Turkey. The entire Moslem world is experiencing a period of religious fanaticism. It would be unnatural for West Bank Moslems not to be infected by that fanaticism.

TESSA LERNER AUMAN  
Bnei Daron.

### MONEY TRANSFERS

To the Editor of *The Jerusalem Post* Sir, - Why is it that I can transfer sterling funds from a London branch bank to the branch of a French bank in a village in the French Alps in 24 hours, but, using the same method of transfer from the same London branch, it takes a week (Friday to Friday) to reach a branch of Bank Leumi? Family in London checked out that the funds were sent and I phoned daily to my bank here to see if they had arrived.

I do not believe that money "exists in a vacuum" and strongly suspect that, for at least part of the week, it was earning interest for someone other than me.

JOY HOFFMAN  
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# The Siniora initiative Behind the myths

Susan Hattis Rolef

appears to have fallen flat on its face. Israel is not likely to unilaterally withdraw from the territories in the foreseeable future. Since the Arab inhabitants of Jerusalem feel that they are not getting the services which the taxes they pay would warrant (Teddy Kollek himself has admitted as much), Siniora argues they ought to stop following an ostrich policy and join the Jerusalem municipal council, stating that in so doing they do not recognize Israel's unilateral annexation of East Jerusalem.

In the municipal council they could gain about 20% of the seats, and, he believes, play the same pivotal role in municipal politics as the religious parties play in the Knesset. This assumes that the secular Jews in the Jerusalem municipality will prefer a coalition with the Arabs to one with the haredim, or alternatively that the haredim will prefer to cooperate with the Arabs rather than with the seculars. In fact, haredim circles have already approached Siniora!

One thing is certain: Unless Siniora is stopped by either Jewish or Arab extremists, once Arabs sit in the Jerusalem municipal council the Arabs of East Jerusalem will get the services they deserve, and the council will turn into a microcosm of what the Knesset will look like if

the Israeli Arabs (over 17% of the population) ever get their act together and run together to attain the 14 Knesset seats which their numbers warrant.

Siniora also hopes that his proposal will attract renewed attention to the unresolved question of the status of Jerusalem which he does not want to see physically divided again, but which, in his opinion, will eventually have to be divided administratively to serve as the capital of both Israel and an Arab Palestine.

BUT WHAT about Sari Nusseibeh who was presented in all the Israeli newspapers and electronic media as part of the "conspiracy," and as the one to have received a "green light" from the PLO for the Siniora plan?

Sari Nusseibeh is a lecturer in Islamic history at Bir Zeit University. He is described by both pro-Jordanian and pro-PLO political figures in the West Bank as "a clever lad with no political experience." Nusseibeh and Siniora are close acquaintances who frequently exchange opinions, but who do not necessarily see eye to eye. The main difference is that while Siniora favours the two state solution, Nus-

seibeh favours a bi-national state, at least as an interim solution.

Nusseibeh has proposed that the Arabs in the West Bank and the Gaza Strip stop fighting the system and start using it. Jerusalem could be a test case, but the broader concept is that the Palestinians should favour Israeli annexation of the territories, agree to live under an apartheid regime which would inevitably follow, and start fighting for equal rights.

After obtaining equal rights and becoming a majority (by the year 2020 or so), the Palestinians in the Knesset would pass a Palestinian "Law of Return" which will enable another one to two million Palestinians to enter Israel.

Nusseibeh says his ideal is a truly secular, democratic state, though he would settle for a bi-national state, at least temporarily. But, of course, there is no guarantee that once the Arabs become a majority they will not choose the simple democratic model, namely a dictatorship of the majority.

No Israeli Jew is likely to take this risk. No Zionist, for that matter, irrespective of the political camp to which he belongs, wants a "secular democratic" state, a bi-national state or an Arab-run state. As far as one can gather, Nusseibeh's ideas have no adherents within the Pales-

tine national movement either. So what was the famous "green light" which he allegedly got - and subsequently denied - for Siniora's plan? The chairman of the East Jerusalem Journalists' Association, Radwan Abu Ayash has offered the following explanation:

"A green light from the PLO means that he discussed his ideas with someone, anyone, in the PLO who said: 'Try it. I can find you.' Abu Ayash said, 'some 'Abu' in the PLO to support any sort of idea.' So much for the PLO 'green light.'"

According to Siniora himself, the PLO has already expressed displeasure with his plan. His own publisher has also dissociated himself from it, and red lights are undoubtedly flashing in the inner chambers of Palestinian rejectionists.

So anyone seeking a conspiracy between Siniora, Nusseibeh and the PLO to disintegrate the Jerusalem municipal council or take over the Israeli government by means of a coalition with the haredim is wasting his time.

The fact that sections of the Israeli public have reacted so hysterically to a purely local initiative - which incidentally makes a lot of sense - just goes to show how emotionally unprepared we are for inevitable changes in the status quo.

If Siniora's plan will at least drive home to us the full implications of annexation, *dayvuna*. Unfortunately the Palestinians themselves are more likely than not to deny us this lesson.

The writer is the editor of the Labour Movement English-language monthly *Spectrum*.

## A call for full unity

Avraham Schenker

Agency relationship, I believe that only the third proposal to unify the two organizations can provide an answer to the challenges of the next decades. The rising tensions between the parties should not be viewed as a sign of irreconcilable differences, but rather as evidence of a growing symbiosis demanding a logical next step in the organization of the Israel-Diaspora connection.

The Zionist movement, under Louis Pincus's leadership, began the process of openness and renewal as far back as the 27th Zionist Congress (1968), by adopting the Jerusalem Programme and opening its ranks to five world-wide membership organizations in the Diaspora. The WZO was no longer limited to the traditional parties and organizations, but reflected the broad-based support for Israel by involving the three religious trends (Reform, Conservative, Orthodox), the World Sephardic Federation and the Maccabi World Union.

The process of integrating these large organizations and many of their individual members is still incomplete, but represented the first stage.

The second stage was directed to the broader pro-Israel frameworks in the communities through the Israel campaigns (United Jewish Appeal and Keren Hayesod) which have become the common denominator of organized Jewish life in the Diaspora. In 1971, the reconstituted Jewish Agency was established on a 50-50 partnership basis between the WZO and the campaigns which in turn brought in many community elements.

The joint activities deepened the involvement of the partners and led to very positive results. The differences in background and organizational tradition, however, have

brought increasing tensions and competitive attempts at control of the overall structure. But it would be a mistake to view these events as decisive. Far more important are the challenges confronting Jewish communities everywhere.

THE ZIONIST idea has progressed from the concern of a minority to become the central focus of the Jewish people. The State of Israel has become a principal component of Jewish self-identity and of Jewish spiritual and cultural consciousness.

The distinction between "Zionist" and "non-Zionist" has lost its meaning in the face of growing assimilation, demographic and cultural attrition in the Diaspora, on the one hand, and the pro-Israel feelings of the vast majority of the Jewish people, on the other hand. All are united in the recognition that in order to assure the future of Jewish communities everywhere, we must intensify and broaden Jewish education in all forms and strengthen and deepen the links between Israel and the Diaspora, as a people and as individuals, particularly among the younger generation.

The Zionist General Council (February 1986) declared: "By these deeds, the Zionist movement, whose primary task has been national liberation, will henceforth also be a movement for national continuity." The Jewish Agency Assembly, having adopted the principles of the Jerusalem Programme, declared (June 1986) that it ceased using the term "non-Zionist" with regard to all its members and called on them to affiliate with Zionist organizations in their countries.

Moreover, the Zionist movement

decided to establish the "Tnuat Mag-shimim," combining the youth movements and the aliya groups in one overall autonomous framework to emphasize the central task of aliya, while the Jewish Agency Assembly called on the organized communities to undertake the task of encouraging aliya and assisting new olim from their countries.

In the realm of global Jewish policy, it is no longer possible to separate the tasks of the Zionist movement, which concentrated on building and strengthening the State of Israel, from the functions of other worldwide Jewish organizations which were concerned with the fight against anti-Semitism and for Jewish rights everywhere. The struggle for peace in the Middle East and the interests of Israel: the fight against the infamous UN resolution equating Zionism with racism; the widespread efforts for the aliya of Soviet Jews, of Jews from Arab lands and "Operation Moses" for the Ethiopian-Jews are all intertwined. For combination of Israel's sovereign acts, of widespread Jewish community involvement, of WZO and Jewish Agency initiative and implementation in Israel and in the Diaspora on all these issues, underlines this fact. The separation of Zionist-Israeli policy from general Jewish policy is no longer possible.

THUS, both the so-called internal Jewish front against assimilation and for the strengthening of Jewish national consciousness and the so-called external front for Jewish rights in all countries, including the encouragement of aliya to Israel, demand a concentration of strength and effort and a reordering of priorities.

The practical activities in Israel (immigrant absorption, rural settlement, Youth Aliya, Project Renew-

al, etc.) which are primarily the responsibility of the Jewish Agency, constitute 90 per cent of the Zionist budget. The practical work in the Diaspora (Youth and Hehalutz, Jewish and Zionist education, encouragement of aliya, organization and information activities, community services, etc.) constitute 10 per cent of the Zionist budget. This division of functions distorts the balance of the partnership between the Zionist and the community campaign partner.

The continuation of Zionist realization requires a gradual transfer of emphasis from the building of Israel, which is the basic responsibility of the state and its citizenry, with the help of Diaspora Jewry, to the two central tasks of Jewish life today: Jewish-Zionist education, formal and informal, in every community and through a wide variety of instrumentalities reflecting the pluralism of Jewish life; and the strengthening of Israel-Diaspora ties, individually and collectively, including study in Israel, volunteering, tourism, community projects, community twinning and investment, altogether leading to aliya on a group and individual basis.

There is no justification today for maintaining separate frameworks, even on the basis of partnership. The public image of the World Zionist Organization and of the Jewish Agency will not be improved by separation or by the transfer of functions or authority from one to the other.

Jewish identity in our time is linked to the State of Israel and thus it becomes Zionist identity. The common destiny and the interdependence of Israel and the Diaspora guarantees the strengthening of Jewish national consciousness for maintaining Jewish community life and encouraging aliya to Israel.

The call for full unity between the World Zionist Organization and the Jewish Agency stems from these considerations.

The writer is a former member of the Zionist Executive.

## PROSECUTING WAR CRIMINALS

This is as it should be, as outside organizations usually have little or no local sensitivity.

If anything, the actions of the Wiesenthal Center proved this point. In Australia, a list of 40 names suddenly bandied about by the Center, with no prior notification to the Ecja, threw the campaign into partial disarray. In Canada, the wild allegations of the Center's Canadian representative provided ammunition for those wishing to discredit the need to prosecute, and very nearly torpedoed the campaign.

The work of the Center, by the way, bears little relation to the excellent work done by its namesake in Vienna.

Jerusalem. RON KAMPEAS

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